EASTERN ARCTIC STUDY
CASE STUDY SERIES:
THE ALASKA NATIVE
CLAIMS SETTLEMENT

by

David Baker

EASTERN ARCTIC STUDY
February 1982

FOREWORD

The overall objective of the Eastern Arctic Study is to examine the implications of constitutional development and of native land claims for local government and for industrial develcpment in one particular land claim area, that of the Inuit Tapirisat of Canada (ITC). An integral part of Eastern Arctic Study research is the undertaking of a series of case studies. The basic purpose of these is to examine specific instances of past industry/community/and other government interaction concerning industrial development.

Three types of case studies have been prepared. The first consists of studies of specific examples of interaction occurring within ITC's claim area. The second deals with interaction between companies, communities and other levels of government within the Northwest Territories but outside the ITC claim area. The final group of case studies concerns the industrial development regime established in jurisdictions which have already settled native land claims. By studying existing claim settlements, even in different political jurisdictions, it may be possible to identify the strengths and weaknesses of particular approaches to industry/community/government interaction.

This study of the Alaska Native Claims Settlement Act (ANSCA) indicates that there are some valuable lessons to be learned from the Alaska settlement.

The act itself is an extremely complex piece of legislation and has required amendment several times since 1971. Because too little time was provided to carry out the provisions of the act, the post-settlement period was extremely hectic. There were also problems with legal interpretations: suits have even arisen between Native groups themselves over the problem of interpretation. (It is estimated that by 1977, legal costs had taken approximately 10 percent of the settlement). In addition to problems involving legal interpretation, the settlement was not easily understood by the majority of Natives, and this has served to increase the gap between Native leaders and the majority of their followers. Perhaps an approach which encouraged greater participation and consultation in the presettlement period would have lessened some of the problems.

The lack of a purely political approach in ANCSA and the economic focus on Native business corporations as the hope of the future have diverted attention away from broad social goals and toward narrower economic aspirations. For example, interest in revenue fosters an interest in resource development. Thus, a problem has arisen in combining social and economic objectives. Conflicts are

already apparent regarding the preservation of the subsistence economy and the extension of nonrenewable resource developments.

The role that resource development has played in the past and will play in the future is a vital element to examine. Prior to ANCSA, the oil companies recognized that a settlement was a prerequisite to pipeline construction, and added their weight to the pro-settlement lobbying. This is similar to the situation in Canada, where there is a great desire on the part of industry for the rules of the game to be clarified.

Although the settlement satisfied the basic demand of southern society for a legal base from which resource development could move forward, it also increased Native political power and control over the development, especially at the regional level. It is worth noting that the North Slope Borough Government has not opposed the development of energy resources in the Arctic. It realizes that its economic security depends upon this development; however, it has been steadfast in its intent to regulate the manner in which the oil and gas resources of the North Slope are explored and developed. Perhaps this can be used as a guide in planning the regulation of future exploration and development in the NWT.

This study of the Alaska Native Claims Settlement was prepared for the Eastern Arctic Study by David Baker. He was assisted in his search of secondary sources and revision of the case by Sharon Brown. Comments on a draft of the case study were solicited by members of the Eastern Arctic Study Advisory Committee. In addition, Professor Thomas Morehouse of the University of Alaska was particularly helpful in identifying relevant sources and commenting on the draft. However, the author and the Eastern Arctic Study assume responsibility for any factual errors and for any interpretive comments made in this paper.

Katherine A. Graham
Principal Investigator
Eastern Arctic Study
January 1982

SUMMARY

This case study describes the impact of the Alaska Native Claims Settlement of 1971 (ANCSA) on Alaska's Native people. Particular attention is given to the consequences of ANCSA for local governance and industrial development in Alaska.

The history of Alaska before statehood can be characterized as one of private absentee control of resources and fragmentation of government. (By the end of the 1940s, there were over 100 different federal and territorial agencies operating in Alaska). This resulted in little weight being given to local interests in a decision-making process based in Washington. The development of a larger, more assertive Alaskan population, the discovery of oil on the Kenai Peninsula in 1957, and other factors proved sufficient to win statehood for Alaska in 1959.

The writers of Alaska's constitution decided to depart from the traditional local government pattern, and opted for a system based on a 'borough'. This unit, larger than a city and smaller than a state, would allow local self-government on a regional basis.

At the time of statehood, few Natives participated in either the representation of their communities at the territorial level, or the administration of programs designed to benefit them. Certain forces, however, in the 1960s began to threaten the subsistence economy, and Native political activity began to gather momentum. In response to threats to the traditional lifestyle, organizations asserting the validity of Native land claims began to emerge. In fact, by the end of the 1960s, regional and city Native organizations blanketed the state, and each filed claims with the Secretary of the Interior. Faced with these massive claims, the Secretary of the Interior halted all disposal of public lands in Alaska to which Natives claimed aboriginal title until the U.S. Congress passed a bill defining the rights of the Natives and establishing the structure for a settlement.

President Nixon signed the Alaska Native Claims Settlement Act into law in late 1971. The substance of ANCSA had been earlier ratified by the Alaska Federation of Natives. It also had the support of the increasingly important oil industry, the Alaska business community and state administration.

This act is extremely complex and has been amended several times since 1971. Basically, the act provides for the extinguishing of all outstanding Native claims to land, and to compensation arising from either previous treaties and statutes or aboriginal title based on land use and occupancy in exchange for:

i a total non-taxable grant of $962.5M to Alaska Natives;

ii a grant to Native groups of forty million acres in fee simple to be selected from the public domain and distributed among Native regional corporations, village corporations, and individual Natives;

iii the creation of 12 national regional profit corporations whose boundaries cover the entire state and as far as possible include the Natives of common heritage, plus a thirteenth corporation to receive settlement funds (but no land) for Natives not residing in any of the 12 regions;

iv the creation of over 200 village corporations to receive and manage the surface estate of approximately 20 million acres of land;

v a conservation section, allowing the Secretary of the Interior to select up to 80 million acres for study to determine if these lands should be added to existing national parks, forests and wildlife refuges and to make recommendations to Congress in this respect;

vi a prohibition on state and Native land selections within a utility and transportation corridor which the act suggested the Secretary of the Interior might want to withdraw, thereby removing the obstacle to pipeline construction posed by the land freeze.

The act itself provides no means to ensure that historic communal uses of land persist. Individuals are free to sell their land, and land use planning and development occur through the interaction of Native corporations and the laws and regulations of federal, state, and municipal levels of government. ANCSA also provides no guarantee about the perpetuation of existing programs and rights enjoyed by Natives prior to 1971. The absence of guarantees with respect to aboriginal rights was especially important when coupled with the possibility of sizable portions of Alaskan land being withdrawn for conservation purposes under ANCSA.

The settlement was essentially an economic one, largely divorced from the formal political system. The benefits of the settlement were to be channelled to the recipients through modern business corporations, whose Native character was assured in the short term by restrictions of voting rights to Natives only until 1992. These corporations were not tied at all into the formal political structure.

The structure of ANCSA inevitably gave rise to a very hectic post-settlement period. Unanticipated problems arose concerning applications for enrollment by individual beneficiaries , land selection, and legal interpretations of the settlement by the participating parties - federal agencies, state agencies, Native groups - with their conflicting goals and interests.

The viability of village corporations set up under ANCSA has been hampered by local inexperience in running such organizations. These difficulties were duplicated in the regional corporations which began to function in mid-1972. As a rule, their regions covered huge sparsely-populated areas and their shareholders lived in a large number of small villages. There was a great shortage of experienced Natives to take advantage of the new opportunities created by the settlement, and corporations were forced to look outside the Native community for senior employees. Although the various corporations have made significant investments in stocks, hotels, office buildings, construction companies and shipping companies, it is still too early to gauge the success of these investment strategies.

Regional corporations have a legal obligation to make a profit for their shareholders. This interest in revenue generation, however, clashes with other Native aspirations, such as preservation of the subsistence economy, protection of the environment, and the enhancement of traditional culture. Some regional corporations have been attempting to balance such conflicts. However, it remains to be seen whether the corporate structure imposed by the 1971 settlement can indeed successfully combine the goal of profit-maximization with the broader social goals needed to raise the quality of life of Alaska's Native population.

The 1971 settlement contained no explicitly political component. However, the sheer amount of land and other resources now controlled by Natives through their corporations has served to expand Native influence in political decision making, particularly at the regional and local levels. The regional corporation has become the foremost political influence in all Native regions of the state, except for the North Slope (where a borough government has been formed).

In July 1972, the North Slope Borough was incorporated to create the only Native-controlled regional government in the USA. It is one of the largest municipalities in the country and one of the least densely populated. It was originally incorporated as a second class borough, with powers over education, planning, zoning and taxation over an area coincident with the boundaries of the Arctic Slope Regional Corporation. A year later, the borough adopted a home rule charter which allowed it to go beyond the state municipal code to design special taxes for Prudhoe Bay, and to restrict the sale of municipal property to non-Natives.

Overall, the Native residents of the North Slope, through the combination of a strong regional corporation and the creation of a borough government, have clearly gained great political power at the regional level. Recent surveys indicate that, in spite of problems, most Natives in the region are satisfied that

the structure is responsive to their demands and able to represent their collective needs effectively. The political gains of Natives in other regions have not been as significant.

Most observers agree that ANCSA's passage was overwhelmingly due to the need to eliminate uncertainties about land ownership and development possibilities, in order that the resource demands of southern society could be met. However, the perceived urgency of southern needs in many ways acted to the advantage of the Natives. One explanation for the relative generosity of the settlement lies precisely in the pressures for development of Native lands. There is a distinct possibility that, after 1991, Native corporations will be forced to sell large amounts of land to outside investors and that non-Natives will move to take control of the Native corporations and the considerable assets they possess. However, Native leaders are adopting a number of strategies in order to avoid this occurrence.

On balance, it appears that ANCSA has generated positive results for Natives. As a result of the settlement, there has been a substantial increase in the supply of capital and the availability of wage employment at the local level, and there is no doubt that most rural Alaskan Natives are better off economically today than they were 20 years ago. However, the economic focus of Native business corporations has diverted attention away from broad social goals, and it is not clear how compatible a strategy of capitalist development is with the goal of maintaining a distinct Native culture.

CONTENTS

Foreword / iii

Summary / v

1 Introduction / 1

2 The Setting / 3
Contemporary Alaska / 3
Historical Development / 5
Political Structure / 8

3 Native Alaska / 15
Native Alaska: Political Development in the Territorial Period / 17
Native Alaska: Post Statehood Political Development / 18

4 The Alaska Native Claims Settlement of 1971 / 23
The Background /23
The Alaska Native Claims Settlement / 26

5 The Consequences of ANCSA / 31
Problems of Implementation / 31
The Role and Viability of Native Corporations / 32
Political Consequences of ANCSA / 37

6 Conclusions / 45

Appendix I Major Differences Between First, Second, Third, and Fourth Class Cities in Alaska / 53
Appendix II 1976-1977 Status Report on Profit-Making Corporations / 55
Appendix III New Bodies Created / 67
Appendix IV 1976-1977 Status Report on Non-Profit Corporations / 71
Appendix V Land Ownership and Classification in Alaska / 79

References / 81

Bibliography / 93

Tables

1 Regional Associations of the Alaska Federation of Natives, 1969 / 21
2 Profit and Non-Profit Regional Corporations, 1978 / 40

Maps

1 Alaska: Major Regions / 4
2 Alaska Boroughs / 11
3 Aboriginal Ethnic Groupings in Alaska / 16
4 The Twelve Alaska Regional Corporations / 34

The Author / 97

Eastern Arctic Study / 99

1. INTRODUCTION

The Alaska Native Claims Settlement Act (ANCSA) of 1971 was heralded by Native leaders and white legislators alike as 'the beginning of a great era for the Native people of Alaska'.[1] Over the past decade, however, a wide variety of problems has emerged which threaten the success of the experiment. As a result, in recent years the worth of ANCSA in promoting the long term goals of Alaska Natives has come increasingly into question.

The purpose of this paper is to provide sufficient information about the 1971 settlement to illustrate as clearly as possible the costs and benefits it has generated for Alaska's Native people. As a background paper for the Eastern Arctic Study, its aim is to outline the origin, composition, and immediate results of ANCSA in a manner which will allow the reader with little knowledge of Alaska to extract information useful in studying northern Canada. Given the focus of the larger study, particular attention will be given to the consequences of ANCSA for local governance and industrial development in Alaska.

In order to set ANCSA in its wider context, the paper addresses a broad spectrum of topics: the development of Alaska and its current political structure; the political evolution of Alaskan Natives; the land claims movement; the details of the settlement; and the economic, social and political ramifications of ANCSA in contemporary Alaska. Such a broad approach has unfortunately necessitated a sacrifice in detailed discussion. Where possible, appendices have been included to remedy this problem. In addition, extensive footnoting has been provided in order to refer the reader to parts of the primary and secondary literature dealing with Alaska relevant to the topic under examination.

It should be emphasized as well that the paper makes no attempt to provide a definitive assessment of the 1971 Alaska settlement. While certain procedural lessons are easily drawn in the aftermath of this complex piece of legislation, the substantive issues are less easy to deal with. The fundamental assumption of ANCSA is that 'the way to beat the white man is with the white man's tools'. The issues raised by this attempt to protect Native culture and promote Native self-determination through enhanced opportunities for equal participation in the American capitalist economy are so complex and so value-laden that no obvious conclusions can yet be drawn. The value of the Alaskan case, however, is that as time passes these issues will become increasingly well-defined.

2. THE SETTING

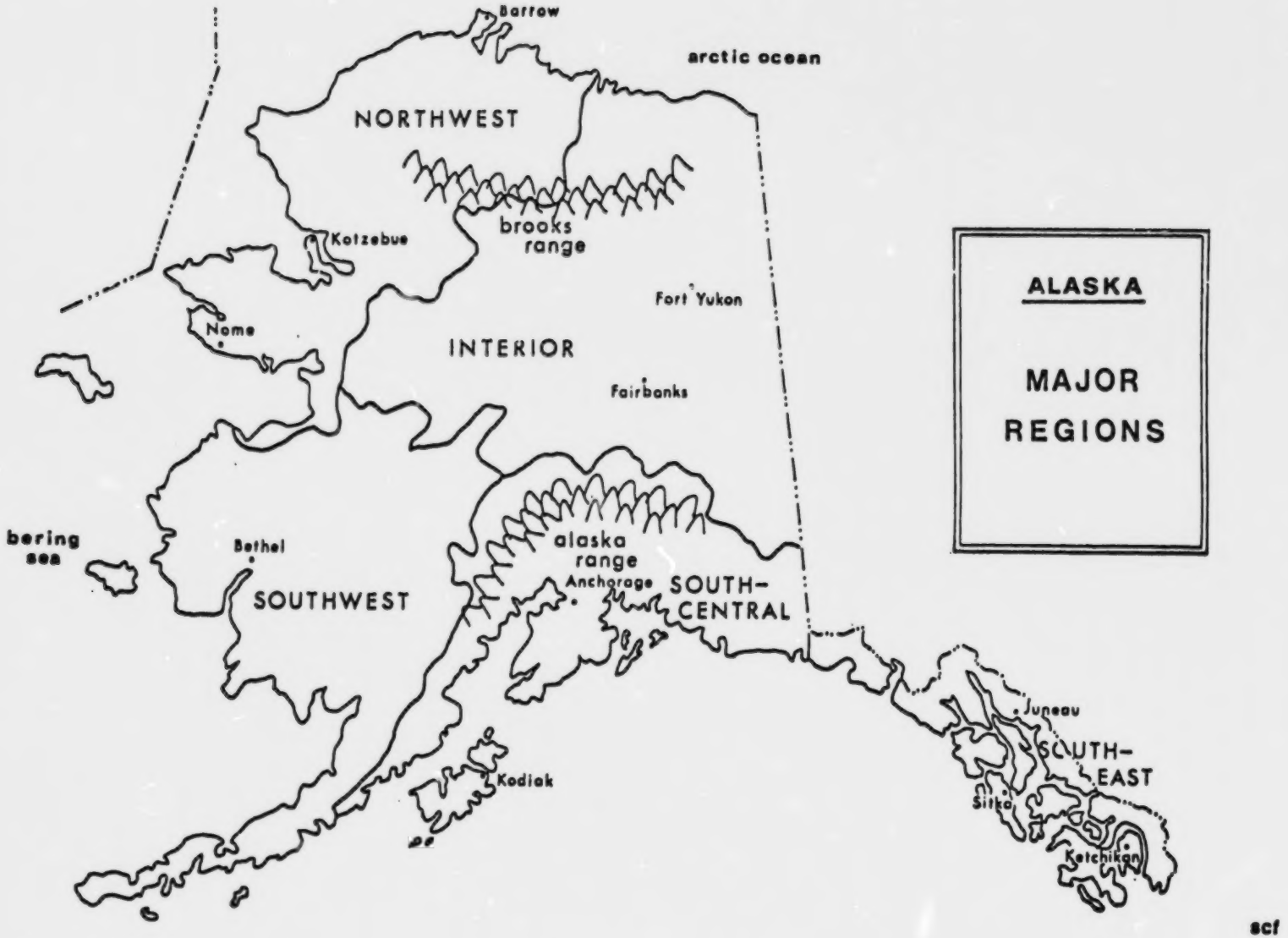
Contemporary Alaska

Alaska covers a land area of 586,400 square miles, one-fifth the size of the lower forty-eight states. Its coastline of 33,000 miles is one and one-half times as long as the entire coastline of the 'lower forty-eight'. The state contains significant regional variations in climate, topography and natural resources. As indicated in figure 1, these regions vary from the temperate southern regions which receive heavy precipitation and are covered by rain forest and grasslands, through the broad expanse of lowlands, plains and highlands of interior Alaska characterized by moderate levels of rainfall and extreme seasonal variations in temperature, to the cold, desert-like conditions of permafrost and treeless tundra in the Bering Sea and Arctic Slope coastal regions.

With diverse and spectacular terrain inhabited by a vast variety of animals and plant life, Alaska is highly prized by environmentalists. Yet Alaska also contains abundant mineral resources: 'Cradling hundreds of billions of dollars worth of oil, natural gas, timber, coal, gold, silver, gemstones, uranium, copper, molybdenum, nickel, lead, zinc, tin, tungsten, fluorite, iron, mercury, antimony, platinum-group metals, barite, zeolite, and chromite, among others, Alaska probably exceeds the rest of the nation in the potential value of its resources'.[2] To date, however, the mineral output of Alaska consists almost entirely of petroleum as the production costs in the remote areas of Alaska have inhibited the development of other nonrenewable resources.[3]

In addition, Alaska has valuable renewable resources. Salmon, halibut, shrimp, and king crab caught in the waters around Alaska comprise about 8 percent of the annual American catch and also provide substantial catches to foreign fishermen.[4] Alaska has 16 percent of the total forest land in the United States.[5] Finally, although farming is extremely limited in contemporary Alaska, it is estimated that the state contains fifteen to seventeen million acres of land suitable for cultivated agricultural production.[6]

The population of Alaska has nearly doubled in the last two decades, but remains less than 500,000. About 60 percent of this population lives in the Anchorage-Fairbanks area, with the remaining 160,000 citizens located in more than 340 communities and bush areas throughout the state. Anchorage, the state's trade and commercial centre, so dominates the economy that some writers point to the development of a 'one-city state.'[7] The small population and the high cost of transportation and communication inhibit the development of local industries. Alaska remains dependent on the 'lower forty-eight' for imports of food, capital



scf

Map 1: Alaska: Major Regions

Source: T.A. Morehouse and V. Fischer, Borough Government in Alaska, p. 30.

and consumer goods, investment and skilled labour, and on primary exports to external markets to pay for these imports. Thus, on the whole, the prosperity and economic growth of the state is determined by forces largely outside the control of Alaskans: the strength of American markets, the investment decisions of large corporations, and the global economic situation.

Historical Development

This pattern of domination by outside interests is not new to Alaskans.[8] The American purchase of Alaska from Russia in 1867 merely replaced exploitation of the area's resources (primarily furs) by the Russian-American Company with exploitation by American citizens. From 1867 through the 1930s the Alaska economy fit the classic colonial pattern of specialization in primary exports, dependence on imported secondary goods, and harsh boom-and-bust economic cycles. For the first fifteen years after its purchase, Alaska was a United States Customs District under the jurisdiction of courts in Oregon or California. As a result of the Organic Act of 1884, Alaska became a civil district, a judicial district and a land district administered by a presidentially-appointed Governor. By the turn of the century the continuing fur trade had been supplemented by a number of salmon canneries. Sparked by the Klondike gold rush, the early years of the twentieth century saw gold rushes at Nome (1900) and Fairbanks (1902-06). The first shipment of copper from Kennecott-Bonanza mine left Alaska in 1911.

This economic growth was accompanied by a slow political evolution. Homestead laws were extended to Alaska in 1898, the Civil Code of 1900 granted Alaskans authority to establish formal governments at the municipal level, and in 1906 Alaskans gained the right to elect a voteless delegate to Congress. This process culminated in the achievement of territorial status with the second Organic Act of August 24, 1912 which provided Alaska with its own popularly elected legislature. Self-government, however, remained limited. The actions of this legislature were subject to review by the courts and Congress, the Governor continued to be a presidential appointee, and many of the basic governmental programs and functions were retained by federal agencies.

The interwar period was a time of economic stagnation and limited political change in Alaska. The gold industry was in a depressed state, copper production was erratic, and no other minerals were produced in significant amounts. The completion of the Alaska railroad between Seward, Anchorage and Fairbanks in 1923 by the federal government failed to provide the expected stimulus to economic growth. Similarly a resettlement scheme involving two hundred families in 1935 met with little success. A 1937 National Resources Committee report was very pessimistic about economic development in Alaska in the near future; the

possibility of further federal policies to stimulate development was rejected in favour of allowing development through 'normal competition' to ensure that Alaska would be 'opened up as fast as and no faster than economic conditions warrant'[9]. By 1940, therefore, the 75,000 Alaskans remained dependent on gold, salmon, and furs for the economic viability of their territory.

A major turning point in Alaskan development occurred with the growing strategic importance of the territory in World War II and in the post-war period. Even as salmon catches and gold production were declining, an extremely large number of military personnel and military construction projects gave the state economy a massive boost.[10] Pre-war Alaska's almost total dependence on transportation by water was completely transformed by 1958 with construction of the Alaska Highway by the military, the building and upgrading of 5,196 miles of roads within Alaska, modernization of the Alaskan railroad, and the construction of surfaced airfields. By the end of the decade, the population of the territory had jumped to 220,000. The bulk of the new arrivals were dependent on civilian and military federal programs for their economic well-being and expected a life-style similar to that enjoyed in the 'outside'.[11]

This expansion in Alaska's population gave a tremendous boost to the statehood movement. The exploitation of Alaskan resources by outside private economic interests and federal control of 99 percent of Alaskan land and resource use had very early given rise to demands for a greater degree of territorial autonomy. Private absentee control bolstered by fragmentation of government - by the end of the 1940s there were over one hundred different federal and territorial agencies operating in Alaska - gave rise to a situation in which local interests were given very little weight in a decision-making process based in Washington. 'Alaska resource development policy was, in effect, made in piecemeal fashion through a series of ... accommodations by remote federal officials and absentee private interests'.[12] Development-minded Alaskans were further annoyed by the conservation-oriented federal stance reflected in the large land withdrawals for purposes of preservation. The situation gave rise to what one author identified as 'a modified form of political determinism', a feeling among many Alaskans that since territorial status promoted underdevelopment, achievement of a mature political structure would inevitably lead to a developed economic base and a modern society.[13] 'Statehood thus became synonymous with development and development was considered identical with 'progress' in all dimensions - economic, social and political'.[14]

The larger, more assertive Alaskan population, the discovery of oil on the Kenai Peninsula in 1957, and other factors[15] proved sufficient to win statehood for Alaska in 1959. To assist the state in building a viable economy, the Statehood

Act was quite generous: in addition to normal Congressional representation (1 Representative, 2 Senators) Alaska was given a land grant of 103 million acres (28 percent of the state) to be chosen by 1984 and payment of 90 percent of the revenues from federal oil and mineral lease sales, rentals and royalties (excluding the outer continental shelf).[16] Natural resource management functions previously handled by the Department of the Interior were also transferred to state control. It should be noted, however, that the federal government continued to exert substantial influence over the new state. Apart from the indirect effects exerted on the Alaskan economy by civilian and military federal expenditures, the federal government retained direct ownership of the majority of land in the state, under the management of a myriad of federal departments and agencies. Through its control over this land and over the outer continental shelf, the federal government retained control of the best oil lands[17], and hence continued to exert a powerful role in resource management. And finally, the federal presence was also felt through such direct programs as the Native affairs expenditures of the Bureau of Indian Affairs and the operation of the Alaska railroad by the Department of Transport.

Contrary to the expectations of the 'boomers', economic development failed to follow automatically from the achievement of statehood. The first few years of the new state were so precarious financially that there was even a movement advocating reversion to territorial status.[18] Fortunately for the state treasury, however, enormous petroleum resources were discovered in Alaska. While oil seeps had been observed as early as 1853 in Cook Inlet and at the turn of the century on the Arctic coast near Barrow, minimal exploration and development had taken place before World War II. Only with the discovery of oil in 1957 on the Kenai Peninsula did the modern petroleum industry emerge in Alaska. Three wells were in production on Kenai in 1959; there were five oilfields and nine gas fields in production in the Kenai-Cook Inlet area by the end of the 1960s. Oil and gas production in Alaska rose from less than 1 percent of total value of natural resources production in 1960 to 46 percent in 1970, and petroleum had begun to supply the lion's share of state revenues.

With the discovery of the enormous reserves at Prudhoe Bay in 1968 and the Trans-Alaskan Pipeline Proposal to ship the oil from Prudhoe Bay to Valdez, Alaska moved onto a qualitatively higher level of oil production. While initial momentum was lost with the stalling of the pipeline by Native land claims and environmental law suits, ANCSA of 1971 and the Trans-Alaskan Pipeline Authorization Act passed by Congress in the midst of the 1973 oil crisis cleared the last obstacles to pipeline construction. The first oil began flowing to Valdez in 1977. An accelerated program of oil and gas leasing on the outer continental shelf by the federal government and an intensive exploration of the massive National Petroleum Reserve on the North Slope further contributed to a tremen-

dous oil boom in Alaska. Between 1970 and 1975, Alaska's population increased by 25 percent, civilian employment climbed by 60 percent, total state revenues almost doubled, and increased state expenditures added further impetus to economic growth. Thus, whereas the economic survival of the state was in doubt in the early 1960s, in 'the 1970s and 1980s, in contrast, the question is one of whether that state is capable of managing the massive surge of growth that petroleum development is bringing to Alaska'[19].

While solving the financial problems of the state, these new developments have in many ways exacerbated the problems which have traditionally dominated Alaskan politics. Alaska remains a 'corporate state', with the traditional pillars of the Alaskan economy - the New England whaling fleets, San Francisco fish processing firms, the giant gold mining firms, the lumber companies - today supplemented and surpassed in power and influence by multinational oil companies, big labour unions, national environmental and conservation groups, and the Native corporations created by the 1971 settlement.[20] This situation severely limits the control of the state administration over the economy and circumscribes the alternatives open to it.[21] Moreover, the new powerful actors have intensified the continuing debate over the proper speed and direction of development in Alaska. Alaska is a vast, beautiful, sparsely-populated state, rich in both renewable and nonrenewable resources. Especially since the state enjoys an income sufficient to permit a choice in the pace of development, the 'boomer' and 'no-growther' battlelines are clearly drawn and their conflict is intense and continuous.[22]

Political Structure

The framers of Alaska's constitution attempted to learn from the problems of the territorial period and from governmental problems at the state and local level in the 'lower 48' in order to create a model constitution for Alaska. In contrast to the domination by outside interests and the excessive fragmentation of government characteristic of the territorial period, the Alaska constitution stresses the value of self-determination.[23] It states that resource development policy must 'encourage the settlement of (Alaska's) land and the development of its resources ... for maximum use consistent with the public interest ...'[24] in a manner which, as in the principle of sustained-yield harvesting, best benefits Alaskan residents. The purpose of the political structure outlined in the constitution is to unify and concentrate government authority so as to enable it to better resist outside domination. Thus, state executive power is concentrated in the office of the governor; administrative functions are grouped by major purpose in a limited number of departments; and the legislature is empowered to meet in annual sessions of unlimited length in order to adequately come to grips with problems demanding legislative action.

The state constitution also exhibits a marked preference for the promotion of self-determination at local levels of government.[25] Prior to 1959 a local tax base was all but nonexistent outside of Anchorage, Fairbanks, and their urban fringes. Consequently, few organized local governments existed: there were forty cities and sixteen special districts in territorial Alaska.[26] Less than half the cities had populations of a thousand or more, and, as outlined more fully in appendix I, their powers and duties varied according to their classification. First and second class cities had the authority to raise taxes and first class cities, in addition, could adopt a home rule charter to gain any desired powers not prohibited by the legislature. In the 1950s two more classes of cities were authorized: third class cities which could use corporate status for the acquisition and use of equipment, and to perform such services as road maintenance; and fourth class cities whose functions were generally limited to liquor and dog control and maintenance of basic order. The third class cities tended to be small neighbourhood enclaves, while the bulk of the fourth class cities were Native settlements located in remote rural regions, extremely impoverished and dependent on federal territorial agencies. There were also nine independent school districts and seven public utility districts (special service districts on the fringes of the larger cities). Finally, pre-statehood Alaska contained numerous unincorporated Native villages and other rural settlements, wholly supported by governmental sources and employing a village council of older men to administer local justice and make other important local decisions.[27]

Faced with this complex pattern of local areas with widely divergent municipal aspirations, resources and structures, the writers of Alaska's constitution wanted:

> 'To provide for a maximum local self-government with a minimum of local government units and to prevent duplication of tax-levying jurisdictions. A liberal construction shall be given to the powers of local government units'.[28]

They decided to depart from the local government pattern of the lower forty-eight with its overlapping cities and counties and its patchwork of special service districts. To avoid the problems of limited functional jurisdiction, frozen boundaries, and multiple tax jurisdictions which seemed to make urban areas in the rest of the United States ungovernable, Alaska's constitution writers opted for a system of local government based on a 'borough'. This unit, larger than a city and smaller than a state, would allow local self-government on a regional basis:

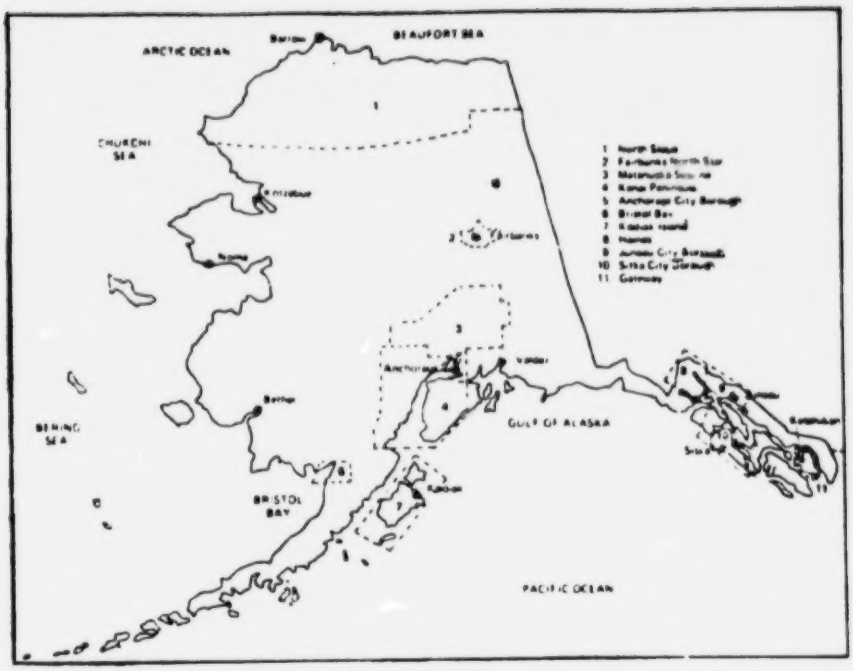
'It was intended that the new 'borough' would be adaptable to Alaska's special needs. Some boroughs might have relatively compact jurisdictions centering on an urban area while other boroughs might be regional in nature and cover extensive regions made up of small settlements, hinterlands and urban centres. And to fit different conditions, the powers and functions of the boroughs could also vary'.[29]

A borough system would provide a unified system of local government based on 'natural' local communities and highly adaptable to shifts in population and economic growth. Since it was expected that boroughs would be formed as a result of local initiative, the constitution included the existence of the 'unorganized borough', to give the legislature authority to exercise the powers of a borough assembly in areas which have not achieved self-governing status. State control over local government was to be maintained through a Local Boundary Commission and a Local Affairs Agency.[30]

In its first years, however, the borough system proved to be a major source of political conflict in Alaska. There was widespread opposition to borough creation in rural areas because it would create new taxes and government controls, and in cities because the borough was seen as a threat to existing municipal structures and school boards and a competitor for scarce funds. By 1968 only ten boroughs had been incorporated (see figure 2), the majority formed in response to or as a result of the Mandatory Borough Act of 1963 which required the incorporation of boroughs in eight areas of the state containing public utility and independent school districts by 1 January 1964.[31] In 1972 an eleventh borough was incorporated by the Natives of the North Slope. As Morehouse and Fischer emphasize, the state had not clarified basic questions about the place of the boroughs in the overall political system and with the bulk of their attention given to education, their role was a relatively minor one[32].

In recent years, a borough unification movement has attempted to resolve borough-city disputes by the creation of unified municipalities. In part because of this movement, the boroughs are becoming less controversial and more accepted in the local scheme of things. Since 1971, the issue of borough government has dissipated and attention has been redirected to distribution of state wealth, through the local government system and other channels.[33]

Since the Mandatory Borough Act, the parts of the state not incorporated as boroughs have been treated as one unorganized borough. Observers suggest that on the whole the unorganized borough has been neglected as a vehicle to develop regional government, and that health, economic development and community development have received less attention there than in the organized boroughs.[34]



Map 2: Alaska Boroughs

Source: T. A. Morehouse and L. Leask, "Alaska's North Slope Borough: Oil, Money and Eskimo Self-Government," Polar Record, Vol. 20, No. 124, 1980, p. 23.

However, although the Unorganized Borough (as its name suggests) did not have formal regional government, the nature of government within it was radically affected by the land claims movement, and ANCSA. Within the Unorganized Borough Native power has been enhanced by state and federal decentralization in the administration of programs affecting natives. This decentralization has resulted in a multiplicity of quasi-governments and institutions at the local and regional levels. The two major patterns of decentralization have been:

i the formation of Regional Education Attendance Areas (REAAs) in the Unorganized Borough in 1976;
ii the devolution of federal Indian programs to regional and local Native associations.[35]

By 1 July 1976, twenty-one REAAs had been set up (the districts being formed within the boundaries of Native regional corporations.) Although the REAAS depend upon the state for revenues, they were given de facto control over budgets and personnel. Virtually all funds for operating and capital costs are provided by the state although some assistance is available through federal programs. There are no local financial contributions for the support of REAAs.

A board of from five to eleven members is elected by the voters within each REAA, and every community with a school has a community school committee. REAAs have the power 'to adopt regulations governing organization, policies, and procedures for the operation of the schools' and 'to develop a philosophy of education, principles and goals for its schools.' REAA boards may incur debts, hire teachers and staff, set salaries and contract independently.[36]

Although the REAAs have enhanced local control of school programs and most rural residents seem eager to use them, it is unlikely that they will stimulate the formation of new regional governments. Because most of the REAAs are property-poor and cannot generate tax revenues, most of their funding is, as mentioned above, provided by the state. Thus, there is little financial incentive for them to seek city or borough incorporation in order to create independent school districts and/or acquire general government powers. (It should be noted, however, that two REAA districts, Yukon Flats and Lower Kuskokwim, have recently expressed strong interest in the formation of borough governments.)[37]

The other major pattern of decentralization was the devolution of federal Indian programs to regional and local Native associations. The legal mechanism for contracting the functions of the Bureau of Indian Affairs to Native American groups was provided by the 'Indian Self-Determination and Education Assistance Act' of 1975. Under this act, the regional nonprofit Native association became the mechanism for the application and administration of grants and contracts in

rural native Alaska. This method of regional administration has the effect of reducing per capital administrative costs, which would otherwise absorb most of the program funds if these programs were administered by villages. Although this program seems to have had the effect of reviving traditional councils in villages, it really has not been in operation long enough to determine its true effects on Native self-government in the Unorganized Borough.

Only the North Slope has formed a regional unit of general government since the passage of ANCSA. The major obstacle to the formation of organized borough governments in Alaska's rural regions is, of course, the absence of adequate property tax bases to support education and other local government programs. However, the issue of statewide property taxation may eventually force some form of regional governmental development in rural Alaska. Over the years, various bills have been introduced in the state legislature which would impose property taxes in the Unorganized Borough, and require mandatory borough organization. It is likely that pressures to enact them will mount as urban interest perceives inequities in the present system and increasing property values in untaxed rural areas.

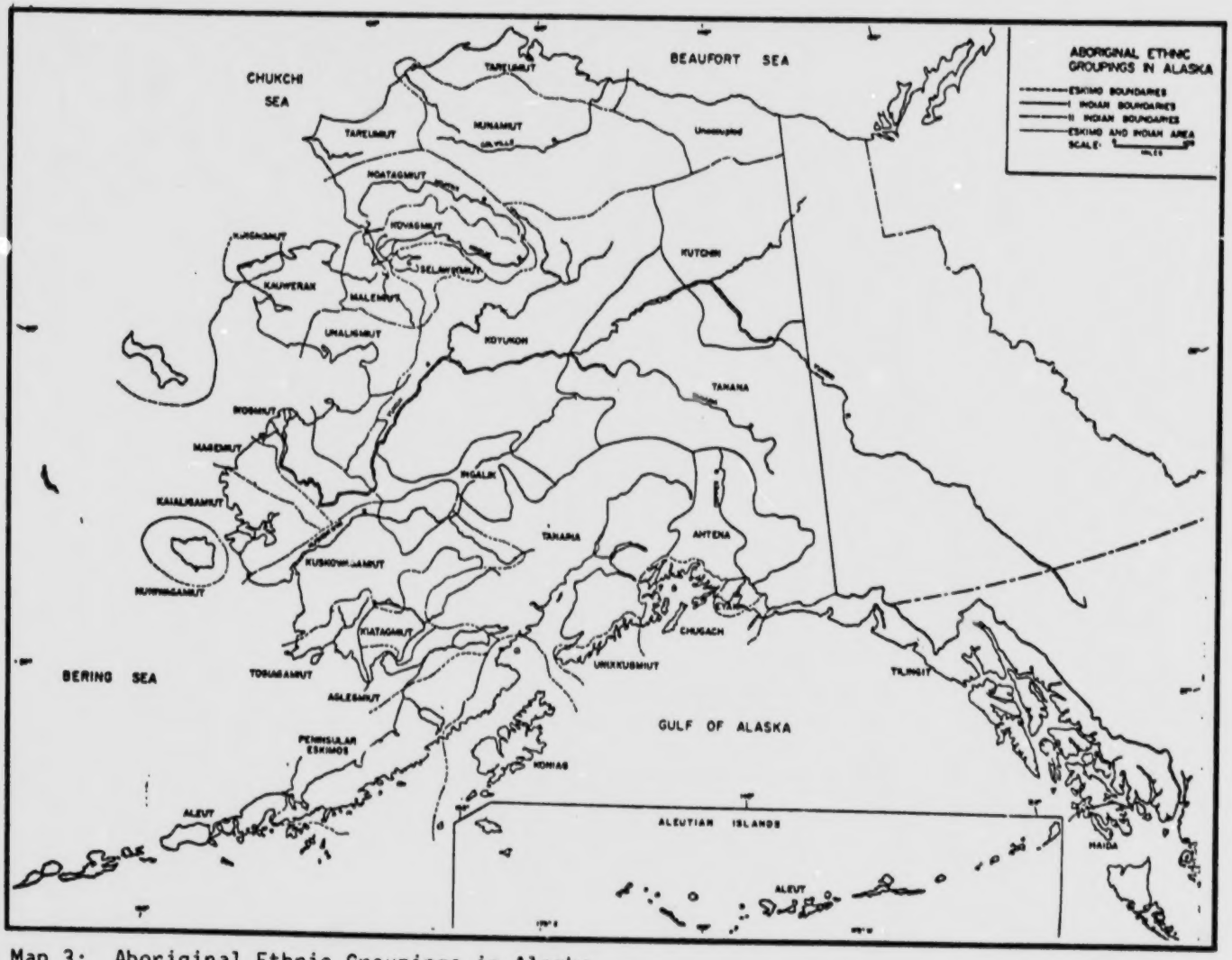
This has been viewed as an important issue, since it concerns the equitability of the distribution of benefits from resource development, which will naturally occur unevenly throughout the state, and the distribution of the costs of education and government services available statewide.38

3. NATIVE ALASKA

Regional climatic, topographical and resource variations in Alaska are mirrored in an extremely diverse aboriginal population characterized by major cultural and linguistic differences (see figure 3). Native Alaskan groups range from the Tlingit-Haida in mild resource-rich Southern Alaska, with their rich complex culture based on property rights and competition, to the Eskimo of the Arctic and Bering Sea coasts where a harsh environment was reflected in a Spartan social organization based on the family and centred upon only those material possessions providing the bare minimum needed for survival.[39] Moreover, aboriginal diversity was accentuated by physical and social factors which militated against the achievement of unity even within ethnic groups[40].

All Native groups suffered severe negative effects from contact with and eventual domination by Europeans. Again, there were significant differences in the ability of Natives to adapt to this new situation. The Aleut population, for example, was decimated by the Russians; the Tlingit-Haida, on the other hand, were better able to defend their territory and to lessen the detrimental impacts of European society. Nevertheless the ravages of disease, alcoholism and the disruption of the subsistence economy exacted a heavy price from Natives in all regions. Federal Indian policy after 1867 varied between the extremes of paternalism and laissez-faire[41]. It was only after World War I, when medical assistance was first given to Alaskan Natives and the Bureau of Indian Affairs and other federal agencies began to take an active role in the administration of schools, hospitals and economic assistance that the Native population began to increase. By 1970, Alaskan Natives numbered 51,528, 17 percent of the total population of the state and 68 percent of the population of northern and western regions.

Contact with the white man's economy brought minimal benefits and opportunities to the aboriginal inhabitants of Alaska. The large majority of Natives continued to live in small, predominantly Native villages and, in spite of public assistance and seasonal wage employment, remained still heavily dependent on subsistence activities.[42] Studies in the mid-1960s revealed an 'appallingly low' standard of living among Alaskan Natives, the majority of whom were victimized by disease, suffered unsanitary conditions in substandard housing, were undereducated and 'living where adequate education or training cannot be obtained, where little or no economic growth is taking place and where little growth is forecast'.[43]



Map 3: Aboriginal Ethnic Groupings in Alaska

Source: A.M. Ervin, 'The Emergence of Native Alaska Political Capacity, 1959-1971' Musk-Ox, 19, 1976, p. 4.

Native Alaska: Political Development in the Territorial Period

The differences in the various ethnic groups comprising Alaska's Native population gave rise to divergent patterns of political participation in territorial and, later, state politics. Although Natives were permitted by law to participate in politics by 1915,[44] Native political participation in this early period was confined to the Indians of Southeastern Alaska. Here a number of factors - internal cohesion, early intimate contact with Europeans, geographical compactness - promoted effective Native political activity. The Alaska Native Brotherhood (ANB) was founded in 1912, and the Alaska Native Sisterhood soon after. These organizations

> 'became effective bargaining instruments for promoting the common interests of the Native people of the region within the political system, and in dealing with the federal bureaucracy. The annual conventions became arenas for resolving internal rivalries and arriving at a temporary semblance of Native unity from which to formulate clear statements of policy for the next year ... all political candidates were invited to attend the conventions and those offering the most favourable terms would be assured of voting support, a factor which no political hopeful could afford to ignore'.[45]

As exemplified by William Paul, the first Native elected to the legislature (in 1924), these groups produced skilled parliamentarians and exerted influence beyond that warranted by their numbers in the politics of the territory.[46]

The numerically superior Eskimo, Aleut and interior Indians, on the other hand, played a negligible role in territorial politics. Isolated, for the most part left undisturbed in their subsistence relationship with the land, and lacking traditions of strong leadership and co-operative action above the level of the small family unit, these Native groups remained unresponsive to attempts by the ANB and ANS to broaden their bases of Native support. Even in elections in regions where they were overwhelmingly in the majority they exerted minimal political influence.[47] This lack of participation was evident at the local level as well. Only a tiny number of Native villages were incorporated as first or second class cities with powers to levy taxes and operate their own schools; the majority of Natives lived in small 'traditional villages' with no formal legal status in which informal councils headed by elder males dealt with minor issues.[48] Federal and territorial agencies did not encourage Native participation in either the determination of agency goals or in program implementation at the village level. Therefore, 'at the time of statehood, few Natives participated in either the representation of their communities at the territorial level or in the administration of programs designed to benefit them'.[49]

Native Alaska: Post Statehood Political Development

Certain structural changes fostered by the development of 'military Alaska' near the end of the territorial period boosted Native political participation. Induction into the armed forces and the Alaska National Guard, Native employment in oil exploration activity and DEW Line construction, and the statehood movement all worked to enhance Native political education and participation.[50] Several Eskimos were elected to the Territorial Legislature. It was only in the 1960s, however, when certain forces - most notably those threatening the subsistence economy - became clearly apparent, that Native political activity gathered great momentum. Unlike the politics of bargaining which dominated the earlier phase of Native politics, the politics of this second, contemporary phase were marked by 'dogma, protest and revolt'.[51]

In 1959 the Atomic Energy Commission proposed to use an underground nuclear blast to create an artificial harbour at Ogotoruk Creek on the Chukchi Sea. The threat posed by 'Project Chariot' to the wildlife on which the subsistence economy of the Eskimo of the area was based was sufficient to mobilize Eskimo protest. Even after the project was shelved in response to challenges from scientists, conservation groups and Eskimos, the feelings of uncertainty and vulnerability created by the incident lingered.[52] Such feelings were heightened in May 1960 with the arrest of two Eskimos at Barrow for shooting ducks out of season. The enforcing of these previously ignored laws by the U.S. Fish and Wildlife service sparked immediate popular protests (138 other Eskimos, each bearing a duck, also demanded to be arrested) and threatened the very foundations of the subsistence economy.

Further threats to the Native way of life accelerated the process of Native mobilization. In April 1963 a massive hydroelectric scheme, the Ramparts Dam Project, was proposed which threatened to flood nine million acres of valuable wildlife habitat and several Indian villages in the upper Yukon valley.[53] Like Project Chariot, the shelving of the Ramparts Dam idea did little to end the tensions and uncertainty that had been created. Further problems were introduced as the state began to select the 103 million acres from the public domain granted it by the Statehood Act. As illustrated by 1963 state selections of land claimed by the Athapaska residents of Minto and consequent protests by Natives to the Secretary of the Interior,[54] these actions heightened fears over the continued viability of the subsistence economy and promoted political activity among Alaska Natives.

In response to these threats to the traditional life style, organizations asserting the validity of Native land claims began to emerge. A general meeting of North Slope and Chukchi Sea village leaders was held in late 1961. Financed

by the New York-based Association of American Indian Affairs, this first meeting of Inupiat Paitot (People's Heritage) initiated the communications network among Eskimos and the commitment to annual meetings which signalled the beginning of a formal organization.[55] Furthermore, with the financial backing of Dr. Milton Forbes of Massachusetts, a state-wide Native newspaper, Tundra Times was created. Six months later a similar meeting of representatives from the Athapaskan villages of the upper and middle Yukon Valley led to the formation of the Tanana Chiefs organization. The trend to increased Native assertiveness with respect to aboriginal rights was given a tremendous boost by the 1963 Tyonek settlement. A court ruled that the Bureau of Indian Affairs had behaved improperly in preparing to sell oil and gas leases on the Tyonek Reservation and ordered the transfer of the leasing process to the Tyoneks.[56] This not only transformed the impoverished Tyonek Reserve into a modern, wealthy area, it also helped establish the validity of Native claims in general and inspired other Native groups to agitate further for similar settlements.

The growth in Native organization was aided by direct and indirect assistance from 'outside'. Increased activity in Alaska by churches, and by such cultural and philanthropic institutions as the Association of American Indian Affairs provided Alaska Natives with funding and other key forms of assistance. Similarly, the civil rights movement and the 1964 War on Poverty generated 'an explosion of government programs in Alaska which affected all Native communities'.[57] Young community development workers alerted Natives to threats to the subsistence life style, informed them of their legal rights and educated them in matters of political organization and tactics. As exemplified by Operation Grassroots, an organization funded by the Office of Economic Opportunity and used by Native militant Charlie Edwardsen to bypass the Bureau of Indian Affairs and provide money directly to community and regional associations, these new programs provided the experience and funding for a new generation of Native leaders.[58] The creation of a myriad of boards to supervise the anti-poverty agencies, especially at the village level, created scores of new opportunities for Native participation. And finally, existing programs were altered to foster such participation as well. In the late 1960s the Bureau of Indian Affairs began delegating authority to certain villages for the administration of welfare grants and urging local areas to elect village advisory boards and to involve village councils in local matters.[59]

The net effect of all such factors was enormous:

> 'The fear of losing their land aroused the Native people and eventually united and radicalized them. By 1968, even inhabitants of the most remote villages knew what was at stake. What happened in the villages in Alaska in the 1960s was a revolution'.[60]

The seriousness of the land issues, the success of the Tyoneks, the growing influence of the Tundra Times, the influence of the new federal programs, above all 'the emergence of several young Native leaders who were capable of thinking simultaneously as white men and as Natives',[61] completely changed the complexion of Native political activity in Alaska. As shown in table I, regional and city Native organizations blanketed the state by the end of the decade, and each filed land claims with the Secretary of the Interior. In addition, in a process beginning at the 1963 Conference of Native Organizations and continuing in meetings of Native leaders in 1966 financed by the Tyoneks, Alaskan Natives strove to overcome regional rivalries and achieve a unified stance. In 1967, with land bills already being drafted in Congress, the Alaska Federation of Natives (AFN) opened offices in Anchorage. The AFN was continually subject to centrifugal pressures which inhibited its financial stability. For example, early proposals to assess individual members of regional associations $12.00 per year to support the AFN were rejected. In order to finance its movement to settle Native claims, the organization was forced to seek aid from private foundations and to contract with federal agencies for training programs and other services. As evidenced by the protests of regional associations and their lawyers over the hiring of Arthur Goldburg as the principal AFN attorney[62] and by the temporary secession of the Arctic Slope Native Assocation in the fall of 1970 over proposals to divide land on a per capita rather than a regional basis,[63] regional divisions continued to complicate attempts to mount an effective and united Native movement.[64] Nevertheless, by the late 1960s Native voters were courted as never before in domestic politics; Native matters long pigeon-holed by the bureaucracy began to get priority treatment; and voices representing Native interests were receiving attention in Washington. The Natives of Alaska had become a political force to be reckoned with.[65]

TABLE 1
REGIONAL ASSOCIATIONS OF THE ALASKA FEDERATION OF NATIVES 1969

Association	Ethnic Groups	Region	Year of Formation
Alaska Native Brotherhood	Principally Tlingit and Haida	Southeastern Alaska principally	1912
Alaska Peninsula Association	Aleut	Alaska Peninsula	1967
Aleut League	Aleut	Aleutian Islands & Pribiloffs	1967
Arctic Native Brotherhood	Eskimo	Nome & the Seward Peninsula	Reactivated 1966
Arctic Slope Native Association	Eskimo	North Slope	1966 replaces 'Inupiat Paitot'
Bristol Bay Native Association	Eskimo, Aleut	Bristol Bay	1967
Cook Inlet Native Association	Mixed	Anchorage Region	1967
Copper River Indian Association	Eyak Indian	Copper River Area	
Chugach Native Association	Eskimo	Prince William Sound	1966
Fairbanks Native Association	Mixed	Fairbanks	1961
Kenaitze Indian Association	Kenai (Athabaskan)	Kenai Peninsula	
Kodiak Area Native Association	Eskimo and Aleut	Kodiak Island	
Kuskokwim Valley Native Association	Eskimo	Bethel Region	1966
Native Village of Tyonek	Moquawkie India	Tyonek Reservation	
Northwest Alaska Native Association	Eskimo	Kotzebue to Point Hope	1966
Tanana Chiefs' Conference	Athabaskan	Interior Alaska, Yukon and Tanana Valleys	1962
Village Council Presidents' Association	Eskimo	Lower Yukon and Kuskokwin Valleys	1962

Source: A. E. Ervin, 'The Emergence of Native Alaska Political Capacity,' Musk-Ox, 19, 1976, p. 9.

4. THE ALASKA NATIVE CLAIMS SETTLEMENT OF 1971

The Background

By mid-1967 Native groups had submitted claims, based on the right of aboriginal use and occupancy, to public lands which taken together exceeded the total land area of Alaska.[66] Faced with these massive claims, the Secretary of the Interior halted all disposal of public lands in Alaska to which Natives claimed aboriginal title until the U.S. Congress passed a bill defining the rights of the Natives and establishing the structure for a settlement.

The case for aboriginal rights in Alaska was clearly a strong one. Native ownership of land was not resolved at the time of the Alaska purchase and several subsequent laws recognized the Alaska Natives' legal rights to land. The Organic Act of 1884, for example, gave protection to Native subsistence activities in the new territory:

> 'The Indians or other persons in said district shall not be disturbed in the possession of any lands actually now in their use of occupation or now claimed by them but the terms under which such persons may acquire title to such lands is reserved for future legislation by Congress'.[67]

Section 4 of the Statehood Act again emphasized Congressional authority and control over land claimed by Natives and provided that 'the State and its people ... forever disclaim all rights and title ... to any lands or other property ... the right and title to which may be held by Indians, Eskimos or Aleuts'.[68] These and the land freeze to which they gave rise provided both the justification for, and the necessity of a settlement.

Such a strong legal position also gave the Natives an important source of leverage. The Natives could make very effective use of the courts to delay unwanted developments and indeed to bring to a complete halt the resource development on which the new state and its outside allies were so dependent for their economic well-being. Thus, the village of Minto successfully sued for an injunction to halt state selection of land in the village, and residents of Tyonek and Tanacross sought injunctions against federal and state takeovers of their land. The AFN effectively used the threat of submitting Native claims to the U.S. Court of Claims - a laborious procedure which could hold up land selections and economic development in Alaska for thirty years[69] - to add to the pressure for a settlement. This pressure was increased enormously when the courts were used by

both Natives and environmentalists to block construction of the Trans-Alaskan Pipeline.[70] As Ervin observes, the situation

> 'Created a sense of urgency for the State, the Natives, and commercial interests that a quick resolution of the land claims through a political solution in the Federal Congress should be achieved. Succinctly expressed, the pragmatic reality of an Alaskan Land Claims Settlement Act was recognized, and because of the continuing existence of the freeze proposals for a settlement gradually shifted in favour of Native demands'.[71]

The first bills designed to resolve the claims were introduced into Congress in the summer of 1967.[72] One bill sponsored by the Department of the Interior authorized a money settlement to be determined by the courts and paid to individual Natives and a land settlement of a maximum of 50,000 acres per village held in trust for the Natives by the Department. This proposal was rejected by the AFN as too small and too paternalistic. Other proposals appeared before Congress in 1968.

By 1969 the AFN put forward its own proposal: a cash settlement of $500 million for Native lands already taken or about to be taken in State withdrawals; full title to 40 million acres to be allocated among villages according to their size; a 2 percent royalty in perpetuity on all revenues from all public and state lands in Alaska; and the creation of a statewide Native development corporation and up to twelve regional development corporations to manage the land and money received under the terms of the settlement.[73] Such a position was vehemently opposed by many groups within Alaska.[74]

Governor Miller rejected the Native claims to large land areas and to a percentage of royalty revenues as contrary to the interests of his state. The state administration proceeded with the sale of leases on the North Slope in 1969 in spite of the fact that the area had been claimed by the Natives, and the state began construction of a highway to the area in order to encourage the oil companies to proceed with pipeline construction. Other segments of Alaska's non-Native population encouraged such moves: the Anchorage Daily Times trumpeted its opposition to a generous settlement; the Alaska Miners Association, the Alaska Loggers Association, the Alaska Sportsmen's Council, Chambers of Commerce and other business groups echoed this anti-Native stand.

Fortunately for the Natives, however, the crucial battles over land claims were fought not in the state capital of Juneau but in Washington. And in Washington a small group of Native leaders[75] experienced in Native politics and in the politics of the larger society developed very effective tactics of political lobbying and coalition-building. Carrying out traditional lobbying techniques

in the halls of Congress, attempting to influence members of key House and Senate committees, and presenting legal and socio-economic testimonies to Congressional hearings, these leaders recognized the complexities of American politics and used them to their advantage.[76] The Native leaders sought the support of the American public through television appearances, press releases and publications which emphasized the poverty of Alaskan Natives and the threat to their way of life posed by petroleum development. Alliances were cemented with 'liberal' interest groups - the American Association of Indian Affairs, Ford Foundation, National Council of Churches, National Congress of American Indians, United Auto Workers - which provided them with funds, endorsements and other tools with which to influence Congress and the American public[77].
A key battle in the struggle for a favourable bill was won when Native leaders successfully cultivated the support of a Nixon administration determined to prove that there was substance behind the President's 1970 message on the value of Indian self-determination.[78]

In addition, state elections produced a new Governor in Alaska who recognized the growing importance of Natives in state politics, who was willing to accept the inevitability of a Native claims settlement in order to obtain the pipeline needed to rescue the state from its serious financial problems, and who recognized that a settlement would bring a welcome infusion of capital into Alaska. The Natives and the new state administration joined forces to achieve the prompt settlement they realized was in their mutual interest.[79]

Finally, and most importantly, by 1970 the oil companies themselves had recognized that a settlement of Native claims was a necessary prerequisite to pipeline construction and they too added their weight to the pro-settlement lobby. The role played by the oil lobby in influencing key members of Congress (especially members of the House Interior Committee) and in getting all the principals to work in concert was crucial. One observer concluded that 'eventually there would have been a settlement, but it took oil to get it in 1971'.[80]

There emerged, therefore, a rather strange but very effective pro-settlement alliance composed of a small group of college-educated, business-oriented Native leaders, the Alaska administration, the oil companies, organized labour, liberal interest groups and the Nixon White House. This alliance easily defeated attempts by Alaskan interest groups and national environmental groups (calling for a land freeze until a comprehensive land use plan was worked out) to block the claims settlement. On 18 December 1971 the AFN voted 511 to 56 to accept a settlement worked out by a House-Senate conference committee[81]. Shortly thereafter President Nixon was informed of the vote and he signed into law the Alaska Native Claims Settlement Act of 1971.

The Alaska Native Claims Settlement

The Alaska Native Claims Settlement Act of 1971 is the largest single claims settlement in the history of the United States. The act is extremely complex and has been amended several times since 1971[82]. All persons with at least one-quarter Alaskan Native blood and alive when the act became law are eligible to participate in the settlement. In essence, the act provides for the extinguishment of all outstanding Native claims to land, and to compensation arising from either previous treaties and statutes or aboriginal title based on land use and occupancy, in exchange for the following.

i A total non-taxable grant of $962.5 million was to be made to Alaska Natives, $462 5 million to come directly from the federal treasury over an eleven-year period, $500 million to come from a 2-percent royalty on state and federal oil, gas and certain other mineral revenues.

ii A grant was to be made to Native groups of unrestricted title (fee simple) to 40 million acres to be selected from the public domain and distributed among Native regional corporations, village corporatiors, and individual Natives. Land selections were to be compact and continuous and largely from areas surrounding existing villages. Land already in private ownership or under mining claims, set aside for national parks, defence or other federal purposes, or already selected by the state but not yet patented to it could not be selected by the Natives. In cases where this resulted in insufficient land being available for selection around villages, land was to be selected from deficiency lands set aside for this purpose by the Secretary of the Interior. Villages on existing reserves could obtain full title to such reserves in exchange for the revoking of reserve status and giving up all other benefits under ANCSA. Seven local corporations on five reserves voted to do this, thereby gaining title to 3.7 million acres and bringing the total land accruing to Alaskan Natives under ANCSA to almost 44 million acres.

iii Twelve Native regional profit corporations were created, whose boundaries cover the entire state and as far as possible include Natives of common heritage, plus a thirteenth corporation which was to receive settlement funds (but no land)[83] for Natives not residing in any of the twelve regions. The regional corporations control the subsurface rights to all the land received under ANCSA and have complete title to over 16 million of the 44 million acres. This land was to be selected within four years and divided among corporations according to a complicated land loss formula which attempted to compensate those regions with a large area but a small number of Native enrollments.[84] Money received under the settlement was

channelled directly to the regional corporations on a per capita basis. For the first five years the regional corporations were to distribute at least 10 percent of the claims money directly to individuals and at least 45 percent to the village corporations, again on a per capita basis. Subsequently, the regional corporations were to distribute 50 percent of their income to the village corporations. The regional corporations were to be set up on the basic pattern of business corporations and each Native in the region was to hold one hundred shares. Hence with the exception of Natives on certain revoked reserves which voted to accept full ownership of their former reserves and forfeit membership in ANCSA, all Natives became stockholders in a regional corporation. Natives cannot sell this stock or transfer any rights to it until December 1991. For the first five years after formation of the corporation, articles of incorporation and by-laws required the approval of the Secretary of the Interior, and financial reports were to be furnished to the Secretary and Congress. The regional corporations must share with other regional corporations 70 percent of the (taxable) revenues they receive from timber and subsurface resources, to be distributed on the basis of per capita enrollment; regional corporations must, in turn, redistribute 50 percent of all timber and subsurface receipts to village corporations within their regions.

iv Over 200 village corporations were to be established to receive and manage the surface estate of approximately 20 million acres of land. To be eligible for incorporation under ANCSA, a village had to have a Native population of at least twenty-five people, a population that was at least one-half Native, and a traditional character unmarked by modern or urban features. Eligible villages were to select their land within three years of the settlement from land around the villages and elsewhere set aside by the Secretary of the Interior. The number of acres to which a village was entitled was determined by the size of Native enrollment in the village. Some of the village land was to be transferred to individuals (for residences, businesses, etc.), to such private organizations as churches, and to federal, state and municipal governments. Villages pay no property taxes until 1992, except on profits from land which is developed or leased. As stated above, village corporations were to receive approximately half of the cash settlement plus whatever resource revenues are passed to them by their regional corporations, and in turn part of this money was to be distributed to individual Natives enrolled in the village corporation. Certain Natives living outside the boundaries of the Villages were designated 'at large' shareholders of regional corporations and received a larger cash payment since they did not participate in the benefits and land generated by the activities of a village corporation. Villages were to incorporate as either 'for profit' or 'non-profit' orga-

nizations, and were to submit their articles of incorporation and their first five annual budgets to their regional corporation for approval. Regional corporations were to assist the villages in their land selections and until December 1981 possess the right to 'review and render advice' to village corporations on 'all land sales, leases or other transactions.' Certain other provisions further augmented the power of the regional corporation vis-à-vis the village corporations: regional corporations could withhold any or all funds to be distributed to a village corporation until the latter submitted a 'plan for the use of the money that is satisfactory to the Regional Corporation'; regional corporations may require village corporations to undertake joint ventures with other villages; and regional corporations may provide joint regional-village financing of projects that they believe will be in the general interest of the region[85].

v A conservation section, 17 d(2), allowed the Secretary of the Interior to select up to 80 million acres for study to determine if these lands should be added to existing national parks, forests, and wildlife refuges and to make recommendations to Congress in this respect. Such land was to be selected after the village corporations had made their selections and before the selections by the state and the regional corporations. ANCSA also authorized another withdrawal of 60 million acres by the Secretary of the Interior for study and classification of all lands in Alaska not withdrawn for other purposes or transferred to others (section 17 d(1). Finally, the act also required that easements be withdrawn by the Bureau of Land Management to assure rights of limited access for the public over Native lands. Under ANCSA a Joint Federal-State Land Use Planning Commission with federal, state and Native representation was established to provide information and to make recommendations to the governments of the United States and Alaska with respect to land use in Alaska. On the basis of these provisions, one writer concluded 'the Act might more appropriately have the title 'Alaska Conservation Act of 1971'[86].

vi ANCSA removed the obstacle to pipeline construction posed by the land freeze by prohibiting state or Native land selections within a utility and transportation corridor which the Act suggested the Secretary of the Interior might want to withdraw.

Essentially, therefore, ANCSA consisted of a grant of money to compensate Natives for lands lost and aboriginal rights extinguished and a grant of land with which to protect their lifestyle and build their future. By giving individuals land ownership for their residences and businesses and by vesting the rights to the remainder of Native land in Native corporations, ANCSA instituted the concept of property ownership in the Native community of Alaska on a mass scale.

The act itself provides no means to ensure that historic communal uses of land persist[87]. Individuals are free to sell their land, and land use planning and development occur through the interaction of Native corporations and the laws and regulations of federal, state and municipal levels of government.

ANCSA also provides no guarantee about the perpetuation of existing programs and rights enjoyed by Natives prior to 1971. The absence of guarantees with respect to aboriginal rights was especially important when coupled with the possibility of sizable portions of Alaskan land being withdrawn for conservation purposes under ANCSA. Proposals by the Secretary of the Interior suggested that such traditional activities would be permitted 'until it is demonstrated by the Secretary that utilization of these resources is neither economically or physically necessary to maintain human life nor necessary to provide opportunities for the survival of Alaskan culture centering on subsistence as a way of life' and that such activities were to be restricted if they led to 'a progressive reduction of animal or plant resources which could lead to long-range alterations of ecosystems.'[88] More generally, although the act provided that no rights or obligations of Natives as citizens or rights or obligations of government towards Natives as citizens would be replaced or diminished by ANCSA, it did call for the Secretary of the Interior to study federal programmes affecting Natives over a three-year period to see whether changes of any kind should be considered by Congress.

It is also worth noting that no provisions in the act are made for subsistence hunting on federal lands. Since statehood, regulations for hunting and fishing are controlled by the State Department of Fish and Game, and are applied to both Native subsistence hunters and white sport hunters. Limits on annual harvesting are set by the Board of Fish and Game.

Finally, ANCSA provided essentially an economic settlement largely divorced from the formal political system. No provision was made for a statewide Native organization under ANCSA, or for the support of the regional Native associations which played such a major role in the settlement movement. Traditional Native structures - the family, clans, ethnic groups - were also ignored. Congressional goals of a 'fair and just settlement...with maximum participation by Natives in decisions affecting their rights and property, without establishing any permanent racially defined institutions, rights, privileges or obligations, without creating a reservation system or lengthy wardship or trusteeship...'[89] were to be achieved through the creation of Native corporations. The benefits of the settlement would be channelled to the recipients through modern business corporations whose Native character was assured in the short term by restrictions of voting rights to Natives only until 1992. Such corporations were not tied at all into the formal political structure. Although overlapping membership was

permissible, the new village corporations were not to replace existing village councils and other municipal bodies. Similarly, the boundaries of the new regional corporations encompassed a wide variety of pre-existing political structures (cities, boroughs, etc.) and no attempt was made to formalize relationships with them. ANCSA stipulated that 'none of the funds paid...to any of the Regional and Villages Corporations established pursuant to this Act shall be expended, donated, or otherwise used for the purpose of carrying on propaganda, or intervening in (including the publishing and distributing of statements) any political campaign on behalf of any candidate for public office.'90

5. THE CONSEQUENCES OF ANCSA

Problems of Implementation

The structure of ANCSA inevitably gave rise to a very hectic post-settlement period. Applications for enrollment from individual Natives had to be filed within fifteen months yet involved a very slow, complicated procedure. Village land selections had to be made in three years, the choice of the regional corporations a year later. In that time corporations had to be organized, consultants hired, money distributed, land selection goals determined and most importantly, millions of acres of virtually unknown land surveyed and classified for its future value. Even though these deadlines were met, the selection of land was so crucial to the long term future of Alaskan Natives that 'it was generally held that there was too little time to carry out the task well'.[91]

ANCSA provided for the immediate conveyance of lands to the Natives once their selections had been made. This, however, has proven to be highly unrealistic. Time-consuming reviews of applications for completeness and correctness by the Department of the Interior and legal challenges to the easements chosen by the Bureau of Land Management have greatly slowed down the process. While certain regional corporations, notably the Arctic Slope Regional Corporation, did negotiate successfully with the Department of the Interior for significant amounts of land,[92] by 1978 only 12 percent of land selected by Native corporations had been conveyed to them. Some regional corporations - Bering Straits, Calista, Sealaska, Ahtna - had received little or no land; only 39 village corporations in ten regions had received land; virtually no land had been transferred to individuals.[93]

Similar problems arose over legal interpretations of ANCSA. Although Congress declared that the settlement act should be implemented rapidly and without litigation, the hastily-drafted compromise bill finally adopted has given rise to an enormous number of time-consuming and expensive law suits.[94] Problems with ANCSA were recognized soon after its passage - 'that was a lawsuit we wrote' one Senator remarked to another[95] - and several amendments have since appeared before Congress, but problems remain.[96] A very complex act designed to deal with a complex situation, ANCSA and its provisions are susceptible to differing interpretations by the participating parties - federal agencies, state agencies, Native groups - with their often conflicting goals and interests. Within months of the passage of the act, suits arose over the question of village eligibility stemming from the nomadic existence of certain Alaskan Native groups. Other suits between Native groups and federal agencies (notably the Department of the Interior) arose from proposals to substitute 'in lieu' lands that were mainly

mountain peaks and glaciers for Native land selections already classified as conservation lands[97], and from the Bureau of Land Management's preliminary proposals for 11,000 miles of continuous easements which Natives saw as an attempt to take back the lands given them by ANCSA.[98] More recently, suits have arisen between Native groups themselves over such issues as whether the revenue redistribution between regional corporations should be calculated in gross or net terms, and whether the sale of gravel is a surface activity under village control or subsurface activity under the jurisdiction of the regional corporations.[99] Not surprisingly, therefore, it is estimated that by 1977 legal costs had taken at least 10 percent of the settlement.[100] Observers suggest that there seems little possibility of this litigation diminishing in the near future.[101] The Native corporations will have to continue to spend a large proportion of their settlement funds for local and outside lawyers to deal with the apparently limitless number of suits generated by ANCSA. It is not inappropriate that disgruntled Native leaders have labelled ANCSA 'The Bar Association Land Claims Settlement Act'.[102]

The relationship between village corporations and regional corporations created by ANCSA is also marred by problems of ambiguity, complexity, and apparent conflicts of interest.[103] As outlined in the settlement, village corporations seem to be subordinate to the regional corporations in a number of ways. However, poor phrasing in ANCSA makes the actual rights and duties of each unclear, and one analyst suggests that future relationships will range from village corporations acting as near subsidiaries of their regional corporations to others almost entirely independent of them.[104] The fact that the village corporation must be primarily concerned with the interests of the subsistence activities of shareholders and with its control over the surface estate makes inevitable conflicts of interest with profit-oriented regional corporations responsible to a larger group of shareholders and interested in the subsurface of Native lands. While the regions, with their greater powers, their greater resources, and their greater attraction for the most talented leaders, would seem to have the clear advantage, the room for uncertainty, animosity and costly litigation between different Native groups created by ANCSA has certainly worked to inhibit the effective implementation of the 1971 settlement.

The Role and Viability of Native Corporations

The Village Corporations

The village corporations created under ANCSA range in size from twenty-five to over 2000 shareholders.[105] Most, however, have under 300 members. Almost all villages incorporated as profit-making organizations and after filing for sur-

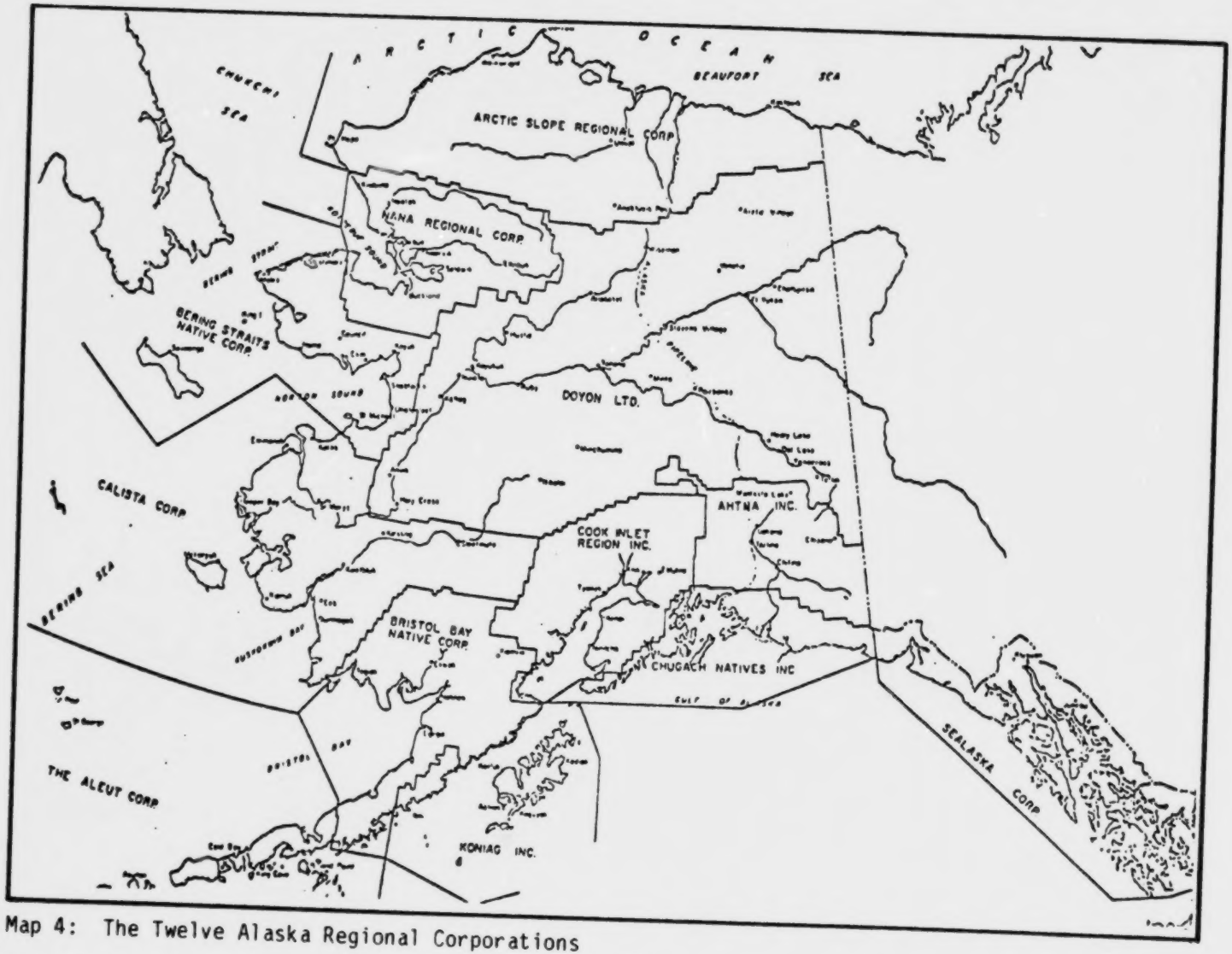
face estates began to invest in a variety of projects. Many of the smaller corporations have purchased village stores; others, as exemplified by the hotel built by Bethel Corporation, have made substantially larger investments.

In recent years, however, the viability of the concept of village corporations has come under close scrutiny. Many villages received less from the 1971 settlement than was needed to cover fixed expenses, and their small size and the lack of local profit-making opportunities have made it next to impossible to overcome this deficit through other activities.[106] Hampered by inexperience in running such organizations, and worried about their financial capability to manage the lands that they own, the village corporations have experienced serious difficulties in the post-settlement period. Some corporations have been dissolved by the state for failure to file required reports (and subsequently reinstated as the requirements were met), others have faced financial crises. A United Bank of Alaska officer predicts that 65 percent of Native village corporations will be bankrupt by the mid-1980s.[107]

To resolve such difficulties, village corporations began to create management pools, merge with other village corporations, create management contracts between themselves and their regional corporations, and merge with their regional corporation.[108] In retrospect, the incorporation of villages as non-profit corporations may have proven to be a wiser move.[109] On the whole, given the serious problems experienced by the village corporations created under ANCSA, it seems likely that the structure of Native corporations in Alaska will be far more diverse and far more complex than was originally envisioned under the 1971 legislation.

The Regional Corporations

While early proposals to resolve the claims issue in Alaska focused on tribes, regional associations and villages, once the notion of business corporations was raised in 1968 it soon became fully accepted by the Natives themselves. 'In the white man's society we need white man's tools' was the theme of the 1971 AFN convention[110], and regional corporations based on business models became the principal elements in the machinery of the settlement. The regional corporations (figure 4) began to function in mid-1972[111]. Newly hired employees attempted to devise strategies which would best utilize the resources available to the corporations. Consultants were retained to assist village corporations in their land selections, lawyers were engaged to file appeals for individuals whose enrollments had been rejected and to analyze the regulations to implement ANCSA proposed by the Department of the Interior.



Map 4: The Twelve Alaska Regional Corporations

Source: T.A. Morehouse and G.A. McBeath, Alaska Native Self-Government, p. 85.

The new corporations clearly faced formidable problems. As a rule, their regions covered huge sparsely populated areas and their shareholders lived in a large number of very small villages.[112] There was a great shortage of experienced Natives to take advantage of the new opportunities created by the settlement and corporations were forced to look outside the Native community for senior employees[113]. Delays in the land selection process inhibited the process of developing a sound investment strategy. On the other hand, the corporations did have an impressive base of assets from which to plot their strategies. Doyon Corporation, for example was ranked by Fortune as number 123 of the 500 largest corporations in America. These resources, in turn, coupled with the pro-development statements expressed by the directors of these new corporations, meant that the new corporations received a favourable reception from the state's business community.[114] It was recognized that to satisfy the legal responsibilities of a corporation and to ensure that the Natives would be able to keep their land when it became subject to tax in 1992, the new corporations had to become 'responsible capitalists'. Thus, even individuals like publisher Robert Atwood and interest groups like the Alaska Mines Association, previously vehemently opposed to a generous settlement, began to court the Native groups whose resources could be expected to play a major role in promoting the development of Alaska.[115]

Such expectations have proven to be correct. As outlined in detail in appendix II, since 1972 the various corporations have made significant investments in stocks, hotels, officebuildings, construction companies, and shipping companies. The Native Corporations have attempted to augment their role by entering into joint ventures with each other, such as the United Alaska Bank and Alaska Consolidated Shipping. Several of the new corporations have entered into joint ventures with mining and oil companies for exploration on Native lands. Good relations with non-Native companies are also reflected in the winning of pipeline-related contracts.[116]

It is still too early to gauge the success of these investment strategies, however. Given various legal battles and other uncertainties concerning corporate assets, some corporations were still searching for a sound investment policy by the end of the first post-settlement decade.[117] The majority of regional corporations have yet to declare a profit and no regional corporation has thus far received any resource development revenues suitable for redistribution to the other corporations. Some analysts suggest that, with huge land holdings but less than $1 billion in total cash, regional corporations are 'under-capitalized and over-asseted'.[118] Most notably in the case of the Bering Strait Corporation, which purchased a wide assortment of enterprises at inflated prices that were too widely scattered to be effectively managed, some regional corporations have experienced significant failures since 1972. Native inexperience has fre-

quently been coupled with painful experiences with non-Native employees to create glaring losses.[119] On the whole, however, the general consensus seems to be that it is too early to make meaningful judgements about the future economic prospects of the regional corporations.

In addition, the necessary search for commercial success has created serious internal problems for the regional corporations. Regional corporations have a legal obligation to make a profit for their shareholders. This interest in revenue generation in turn fosters a clear interest in resource development both on corporation lands and more broadly in the state as a whole. At the same time, the 'boomer' outlook encouraged by such structural considerations often clashes with other Native aspirations such as preservation of the subsistence economy, protection of the environment, expansion of Native employment opportunities, and the enhancement of traditional culture.[120] Investment in rural areas is risky, and attention to these other goals often threatens to decrease profits.

The existence of such conflicts has already been demonstrated by recent evidence that Native legislators allied to regional corporations have become more conservative on measures to tax and regulate business and less committed to 'bush legislation designed to improve the conditions of rural communities.'[121] Conflicts between goals have emerged with even greater clarity on Kodiak Island. While Native and non-Native fishermen have hotly protested against federal plans to sell oil and gas leases on the outer continental shelf, the Koniag Regional Corporation has been actively encouraging such development and has even indicated it might bid for OCS leases itself. The following justification, given for the corporation's decision to ignore the fishing industry on which the bulk of its shareholders depend and to invest in the more profitable business of petroleum development, provides interesting insights into the problems encountered by the regional corporations:

> 'The decision was made early on by the board and management that Koniag could not afford for its businesses to be training schools. They are businesses and rather hard-nosed businesses... There is this pro-development policy on the part of the corporate leaders which is a necessity... It will be the greatest disaster of all to the Native people if their corporations fail. They must succeed'.[122]

Certain of the regional corporations, on the other hand, have been better able to compromise. NANA corporation, for example, 'whose corporate mentality has been tempered by a steely commitment to improve the lives of its shareholders', has placed a low priority on mineral development in order to minimize conflicts with the traditional Native life-style[123]. NANA has attempted to involve shareholders in corporate management and in jobs created by its investments, and it has formed cooperatives to bring better and lower-cost services to its share-

holders. Yet the corporation has also made money. It remains to be seen, therefore, whether the corporate structure imposed by the 1971 settlement can indeed successfully combine the goal of profit-maximization with the broader social goals needed to raise the quality of life of Alaska's Native population.

A final consequence of the corporate structure has been an exacerbation of disputes within and between Native groups in Alaska. Regional divisions contained with difficulty in the land claims movement have been accentuated by the creation of Native corporations on a regional basis. Since regional corporations compete for profits, personnel, etc., it is unlikely that such divisions will diminish. Recent splits along 'have' and 'have-not' lines over the issue of revenue redistribution clearly illustrate the potential for conflict and may foreshadow the emergence of more intense disputes in the future. An increase of such tensions between Natives within regions has been apparent in recent years. Annual shareholders' meetings have often been the scene of harsh criticisms of corporate directors, and proxy fights have been waged to replace one management group by another. While in some regions these battles seem merely to represent attempts by 'out' groups to gain control of prestigious positions, in regions such as Sealaska, Bristol Bay and Cook Inlet the proxy battles appear to stem from more fundamental conflicts. The example of a Cook Inlet meeting where dissidents attempted to unseat 'red apple Indians' (red on the outside, white on the inside)[120] provides evidence of the concern felt by many Natives that the young Native leaders responsible for the 1971 settlement and now dominating the regional corporations are increasingly estranged from traditional Native ways. They fear that just as government and non-Native corporations did in the past, Native leaders are now pursuing the goal of profit maximization at the expense of other more important goals. 'Some observers believe the Sealaska and Bristol Bay battles presage similar struggles for other regional corporations, somewhat along class lines: the educated, professional management group being challenged by less well-educated Native villagers and urban blue-collar workers'.[125] Achievement of the settlement lessened the need for unity; the structure of the settlement adopted, however, contained the seeds of political conflict both within the elite and between the Native elite and the majority of Alaskan Natives.

Political Consequences of ANCSA

The 1971 settlement contained no explicitly political component and indeed was designed by Congress to limit its political impact. The notion of a statewide Native corporation under ANCSA, for example, was rejected because of fears it would be too powerful politically and economically[126] and 'the Act specifically states that no permanent, racially defined institution, right or obligation can be defined by it'.[127] The statewide Native organizations formed prior to the

settlement continue to exist. The Alaska Native Foundation established in 1968 with funds from the Ford Foundation publishes a newsletter and offers a variety of training programs and financial services to the regional and village corporations. The Alaska Federation of Natives was incorporated as a non-profit organization in 1973 and remains 'firmly established as an organization of continuing influence within the state'[128] with human resources and land claims sections to assist Natives in the post-settlement period. Although ANCSA contained no formal political provisions, the sheer amount of land and other resources now controlled by the Natives through their corporations has served to expand Native influence in political decision making, particularly at the regional and local level. Although the Native corporations were originally designed with economic intent, they have also gained a great deal of political influence in their regions; in fact, the regional corporation has become the foremost political organization in all Native regions of the state except for the North Slope, where a borough government has been formed. The regional corporation also participates in borough government, through membership on the borough assembly and interlocking relationships with the borough administrators.

As outlined in appendix III, the post-settlement period has seen the emergence of new bodies, which have served to enhance Native self-determination. Clearly the new regional corporations operating within boundaries congruent with those of older regional associations possess significant leverage to shape and control the development of their regions. Since all Natives in a region are equal shareholders in such corporations, theoretically at least the regional corporations offer a tool of popular control over regional development. The malleability of this tool should not be exaggerated. As indicated above, the nature of the business corporation predisposes it to certain (profit-oriented) paths of action, and its accountability to shareholders is limited to the approval or disapproval expressed at annual meetings. The situation is further complicated by problems of transportation and communication within regions and the lack of familiarity of the majority of Natives with a corporate structure so alien to their culture[129].

Further problems are created by the fact that in the majority of cases corporation boundaries are not coincident with those of regional governments.[130] Nevertheless evidence that annual stockholder meetings have been better attended than were most previous public meetings of Natives[131] and that such meetings have been marked by sharp questions to incumbents, challenges to directors, and high rates of director turnover, all point to the distinct possibility that these corporations will provide a source of local control over regional development that will grow in importance as time passes. It seems plausible as well that the creation of village corporations under ANCSA will foster the same trend at the local level. While not intended to replace village councils or other muni-

cipal bodies, the village corporation with its control over the subsurface of large areas of land 'is a concrete inducement for redefinition of the council from an internal body, engaged exclusively with problems that emerge within the Village ... to a governmental body engaged substantially with outside bureaucracies and their agents'.[132]

The climate created by the land claims movement and ANCSA generated other radical changes in the Native role in the governing of rural Alaska. As McBeath and Morehouse observe, 'in the administration of programs affecting Natives, state and federal decentralization has brought about the creation of a profusion of quasi-governments that have tended to enhance Native power'.[133] A key component in this process was the formation of Regional Education Attendance Areas (REAAs) in the Unorganized Borough in 1976 as a result of pressure from Native leaders supported by educational professionals campaigning for the decentralization of control over education. The gradual transfer of control over Native schools from the Bureau of Indian Affairs to the state-operated school system responsible for education in the Unorganized Borough was directed instead to twenty-one REAAs, the boundaries of which coincide with the regional boundaries established under ANCSA. The state provides nearly all capital and operating funds for the REAAs and maintains control over ultimate fiscal decisions. Within REAAs, however, elected school boards possess broad powers over school curricula, the operation of schools, hiring of teachers, setting of salaries, etc. In addition, every community with a school has an elected school committee. This new structure is clearly designed to enhance local control over the educational system.

A similar enhancement of local control has been generated by the recent trend to decentralization of federal Indian programs to regional and local Native associations. The 1975 Indian Self-Determination and Education Assistance Act provided for the contracting out to Indian groups of the planning and implementation of federal Indian programs with the results to be monitored by the Bureau of Indian Affairs. In Alaska, a large number of grants and contracts available as a result of this act have been handled by the numerous regional non-profit Native associations listed in table 2. The latter have evolved from the regional associations that were organized in the land claims movement but not provided for in the settlement itself. After 1971 most of these associations incorporated as the non-profit arms of regional corporations, and turned their attention to the social and educational programs so important to Natives yet ill-suited to the profit-making orientation of the regional corporations. Boosted by the new availability of contracts after 1975, the regional associations now provide general accounting and auditing services for member villages, employ village government specialists to handle documents and to revitalize village councils, act as advocates for Native interests and administer programs in such

TABLE 2
PROFIT AND NON-PROFIT REGIONAL CORPORATIONS, 1978

Region	Profit Corporation	Non-Profit Corporation
Copper River Basin	Ahtna, Inc.	Copper River Native Association Copper River Basin Regional Housing Authority
Aleutians	Aleut Corporation	Aleutian/Pribilof Islands Association, Inc. Aleutian/Pribilof Regional Housing Authority
Arctic Slope	Arctic Slope Regional Corporation	Arctic Slope Native Association Inupiat Community of the Arctic Slope Arctic Slope Regional Housing Authority
Bering Straits	Bering Straits Native Corporation	Kawerak Norton Sound Health Corporation Bering Straits Regional Housing Authority
Bristol Bay	Bristol Bay Native Corporation	Bristol Bay Native Association Bristol Bay Area Health Corporation Bristol Bay Regional Housing Authority
Southwest	Calista Corporation	Association of Village Council Presidents Yupiktak Bista Yukon-Kuskokwim Health Corporation AVCP Regional Housing Authority Nunum Kitlutsisti
Prince William Sound-Gulf of Alaska	Chugach Natives Inc.	North Pacific Rim North Pacific Rim Housing Authority
Cook Inlet	Cook Inlet Region Inc.	Cook Inlet Native Association
Interior	Doyon, Inc.	Tanana Chiefs Conference Tanana Chiefs Housing Authority
Kodiak	Koniag, Inc.	Kodiak Area Native Association Kodiak Area Regional Housing Authority
Northwest	NANA Regional Corporation	Mauneluk Association NANA Regional Housing Authority
Southeast	Sealaska Corporation	Tlingit-Haida Central Council Southeast Alaska Regional Health Corporation Tlingit-Haida Regional Housing Authority

Source: G. A. McBeath and T. A. Morehouse, Alaska Native Self-Government, pp. 91-2.

fields as health, housing and employment. (Appendix IV provides more insight into the activities of the non-profit associations.) Since these regional associations are operated by boards composed of elected village representatives, the new structure gains the advantages of economies of scale created by the administration of programs at a regional basis but at the same time gives even the small villages without an organized municipal charter some say in regional planning and program implementation.

In spite of the uncertain political effects of the ANCSA corporations and the relatively recent implementation of REAAs and the other measures of decentralization, observers point to a corresponding revival in the operation of village councils[134] as evidence that such measures 'are helping to prepare the Unorganized Borough for more advanced forms of regional government in the future'.[135]

This trend has been taken to its logical conclusion only in the area encompassing the Prudhoe Bay oil find. Here in July 1972 the North Slope Borough was incorporated to create the only Native-controlled regional government in the United States. With an area of 88,000 square miles (15 percent of the land area of Alaska) and a total of 3,600 residents living in eight widely-scattered villages, the borough is the largest municipality in the country and one of the least densely populated. At a time when the prospects of a favourable claims settlement for the North Slope looked dim, area residents began to investigate the broad, flexible standards of borough incorporation existing under Alaska's constitution as a means by which they could claim part of the wealth of the North Slope oil fields for themselves. Attempts to achieve incorporation met with resistance from the state administration which was determined to spread North Slope property tax revenues over a broader area,[136] and the Natives also had to overcome legal action initiated by oil companies determined to escape borough control and taxation.[137] Nevertheless, the Arctic Slope Natives Association succeeded in gaining borough status. The expressed goals of such a move were to gain the 'maximum amount of self-determination for the people', to enable local residents to limit the environmental damage from North Slope oil development, and to create a school system more in tune with the needs of the residents of the area. The result of such a move was in effect to gain a 'second claims settlement' for the area and to provide the means to transform one of the poorest regions of Native Alaska into a modern, dynamic area[138].

The North Slope Borough was originally incorporated as a second-class borough with powers over education, planning, zoning, assessment and taxation over an area coincident with the boundaries of the Arctic Slope Regional Corporation. The first borough government was composed of eight people: five elected assembly members, an elected mayor, a clerk and a secretary. Because of the court cases challenging its legitimacy, it was forced to borrow from friends and to

issue revenue-anticipation notes in order to obtain operating funds. The new borough government moved to exert its control over the school system, and to assess taxable assets. A year later the borough adopted a home rule charter which allowed it to go beyond the state municipal code so as to design special taxes for Prudhoe Bay, and to place restrictions on the sale of municipal property to non-Natives. A regional government partly independent of the state government and completely under Native control was thus created.

The Arctic Slope Natives have been able to utilize this political structure to further Native interests. The borough has acted as the chief spokesman for the defence of subsistence hunting and fishing rights. The borough succeeded in gaining partial exemption for Native caribou hunters in the 1976 'caribou crisis' and, more recently it used various national and state organizations (including a newly-formed Alaska Eskimo Commission) to exert pressure on the International Whaling Commission to lift its moratorium on the hunting of bowhead whales and allow a subsistence quota for Alaska Eskimos.[139] The borough has initiated a capital improvements program including new schools and low income housing which, despite problems of cost overruns and management deficiencies,[140] has reduced regional unemployment and greatly improved the standard of living of North Slope residents.

The borough has greatly enhanced Native cultural identity. Borough incorporation permitted the formation of an independent school district with a locally elected school board controlling curricula and teacher employment long before the creation of REAAs brought such benefits to other Natives in rural areas. High school programs have been extended to all villages, and post-secondary education was introduced first in the form of extension courses from the University of Alaska and more recently through the establishment of Inupiat University. More generally, the borough has acted to prevent the establishment of a permanent settlement of non-Natives in the region.[141] Under the impetus of its dynamic mayor Eben Hopson, the borough organized and funded the first Inuit Circumpolar Conference of Inupiat Peoples in June 1977 to try to develop solutions to problems common to all Eskimos.[142] Finally, through activities such as participation in environmental impact reviews for new drilling permits, regular scrutiny and criticism of oil company policy, and the operation of a Borough Planning Commission to review proposed construction, the borough exerts significant control over petroleum development in the region.

These benefits have been accompanied by certain problems. By 1977-78 the budget of the borough had risen to over $35 million; the borough employed five hundred people (one out of seven citizens). Such rapid growth created crisis after crisis as the lack of trained Native personnel, the failure to plan coherently and the use of non-Natives in senior positions generated costs and frictions which

could have been avoided. There have been conflicts over the transfer of powers from existing municipalities to the borough and villages have complained of domination of the borough by officials of Barrow and of the Arctic Slope Regional Corporation. As evidenced already by ASRC promotion of development in the Beaufort Sea and borough opposition to it, the desire of the regional corporation to participate fully in future energy developments 'is likely to impose a growing constraint on the borough's regulatory capability (as well as its powers of taxation) where ASRC interests are affected'.[143]

The borough has yet to resolve its ambiguous position with respect to oil development. Although the borough and oil companies agreed to 'a truce' in 1973 over tax issues[144] and continue to attempt to establish working relationships with each other,[145] the borough is determined to regulate the manner in which exploration and development occur. But with 98 percent of its taxes (2/3 of its operating revenue) coming from the oil companies, the North Slope Borough is clearly limited in the options it can pursue with respect to the oil companies. And while it has ensured that, at least in the short term, area residents benefit from resource development and can protect the subsistence economy, it has yet to find a stable economic base over the long term. At present

> 'there is no apparent basis for local economic development outside the petroleum-based economy... The alternative is a reversion to the familiar government welfare-Native subsistence economy, modified sporadically by resource developments and related construction employment'.[146]

Overall, however, the Native residents of the North Slope through the combination of a strong regional corporation and the creation of a borough government have clearly gained great political power at the regional level. Recent surveys[147] indicate that in spite of problems most Natives in the region are satisfied that the structure is responsive to their demands and able to represent their collective needs effectively. In an area with a recent history of strong militant regional associations and above all able to capitalize on proximity to major petroleum developments, the residents of the North Slope have created a regional political framework 'qualitatively superior to any 'government' Alaska Natives have ever had'.[148] The political gains of Natives in other regions have not been as significant. The operation of the new Native corporations, the REAAs, and the regional associations have fostered increased regional identification and local control. They have not, however, solved the problem of the absence of a tax base, and generous state and federal contributions to the new structures have, if anything, lessened incentives to seek the political powers of city or borough incorporation. Despite improved tax bases created by the activity of the regional corporations, more generous municipal grants offered by an increasingly affluent state, and increased pressures from existing boroughs resentful of their disproportionate share of the overall tax burden,[149] there

has not yet been any serious attempt by Native organizations in the unorganized borough to emulate the Eskimos of the North Slope and establish regional governments in their areas.[150] Whether or not such attempts materialize in the near future, the failure of most Natives to gain the political control enjoyed by the North Slope Eskimos at the regional level should not obscure the clear evidence that in the post-settlement period, predominantly as a result of the terms and consequences of ANCSA, there has been a significant 'increase in the sense of power over one's environment, an enhanced efficacy of Native individuals and groups'[151] in all regions of Alaska.

6. CONCLUSIONS

In many ways the Alaska Native Claims Settlement Act must be seen as merely a continuation of earlier Indian policy.[152] Alaska Natives were left virtually undisturbed in their pursuit of a subsistence life style as long as the land they occupied was deemed worthless by the larger society. Once there was pressure for the development of their lands, however, legislation was quickly passed to allow the Native lands to be utilized to meet the needs of non-Native society. Certainly, as Harrison notes:

> 'Economic development is the idée fixe of the Settlement Act... Fee title to a large amount of land, mineral and timber rights, profit corporate structures, ownership stocks, revenue sharing, and all the rest make it clear that the land claims settlement was intended primarily as a vehicle for natural resource development in Alaska'.[153]

The settlement resulted in a rather complex pattern of land ownership in Alaska (see appendix V), but one in which uncertainties about land ownership and hence development possibilities could be resolved. While a number of factors were important in the achievement of the settlement, most observers agree that the act's passage was overwhelmingly due to the need to eliminate such uncertainties in order that the resource demands of southern society could be satisfied. This does not necessarily mean, however, that the settlement was a poor one for the Natives. One must certainly question the rather ambiguous argument presented by Forrest that the Alaska case demonstrates that 'the whole process of economic development on Native-owned lands by multi-national corporations, particularly oil and gas companies and mining companies, is prejudicial to a just and equitable settlement of Native land claims'.[154] While it is true that the pace and style of development were determined primarily by the needs and characteristics of southern society, and that the option of 'no development' was never really open to the Natives in Alaska,[155] it is also true that the perceived urgency of southern needs in many ways acted to the advantage of the Natives. Contrary to Forrest's assessment of the settlement as 'a paltry amount of land relative to their needs', by realistic standards the settlement was a generous one which in most respects conformed to the first demands put forward by the AFN in 1969.[156] And as Berry points out, a major explanation for the relative generosity of the settlement lies precisely in the pressures for development on Native lands:

> 'Without the presence of the huge Prudhoe Bay oil field and the industry's anxiety over the Trans Alaska Pipeline, the Native Claims would never have been settled as they were. The claims were settled promptly and generously because they stood in the way of white man's progress. The need for Prudhoe Bay oil, real or imagined, made the claims a national issue rather than an Alaskan one, and because of this, the Natives got better treatment

from Congress than they could have expected had their case rested solely on its merits'.[157]

Other factors also played prominent roles in the achievement of the settlement as well. The conservative style of the Native elite in pursuing its demands through accepted channels contributed to the effectiveness of the Native position. The existence of a pro-development, business-oriented Native stance allowed the creation of an effective relationship with the large corporations which has continued in the post-settlement period. Important too was the eventual Native/state alliance, made possible by the realization of the state administration that a settlement could be achieved which would erode federal power in Alaska and promote economic development in the state without greatly jeopardizing state land selections. Herein, perhaps, lies the key to the achievement of a settlement acceptable to the majority of concerned parties:

> 'Indeed, the acceptance of the land claims settlement ... stems from the fact that it does not substantially redistribute existing wealth... Rather, it promises to increase the total amount of wealth available to all; the Natives, for the the first time, included. This is, of course, an ideal solution to the political demands of an ethnic minority and conditions in Alaska made it possible'.[159]

It is clear that any evaluation of ANCSA must be carried out at two levels. First, how well has the settlement worked in its own terms of attempting to enhance Native opportunities to participate in the capitalist economy? Second, has this self-admitted capitalist approach proven valuable in promoting such fundamental Native goals as self-determination and preservation of cultural identity? Evaluation at either level is difficult. Insufficient time has elapsed for clear consequences to emerge and, more importantly, it is possible to draw very different interpretations about current trends in Native Alaska depending on the assumptions and value premises from which one begins.

As indicated above, it is still too early to assess the prospects for the success of the new Native regional corporations as defined by the capitalist framework of ANCSA. In spite of initial teething problems and evidence that the corporations remain on snaky economic foundations, Native leaders and outside analysts continue to express confidence about longer-term prospects. But even from the perspective of a settlement which seeks to enhance Native capitalism, there are obvious weaknesses in the structure of ANCSA. The haste with which the act was drawn up and the consequent ambiguities and omissions created an extraordinary amount of uncertainty and legal activity. Consequently, considerable Native energy and many of the newly-acquired resources were diverted into unproductive channels for much of the first post-settlement decade. Problems were multiplied by an over-ambitious implementation schedule which left insufficient time for

the complex jobs of Native enrollment, village registration and land selection and which overtaxed the processing capability of the relevant federal agencies. The serious problems encountered at the village level in recent years suggest that the notion of creating profit-oriented village corporations was also a major flaw in the settlement.

It seems clear that a more carefully considered act, with a lengthier implementation period and a more steamlined implementation process, would have greatly increased the chances of achieving the stated goals of the settlement. However, as pointed out earlier, these conditions were not present or possible at the time, and may even have contributed to a settlement that is in fact better for the Native peoples of Alaska.

The costly nature of the delays, uncertainties, and hasty decisions created by a poorly written act and an unrealistic schedule of implementation is multiplied enormously when examined in conjunction with the fact that, under ANCSA, Alaskan Native corporations have only until 18 December 1991 to consolidate their positions. At this time Natives are free to sell their shares in the Native corporations and the huge amounts of land received under the settlement are subject to taxation. In contemporary Alaska, 'stockholders in some regional corporations are already anxious to increase the short-term rewards at the cost of permanent gains'[159] and regional corporations at present are far from being able to meet even a modest rate of taxation. There is a distinct possibility, therefore, that after 1991 Native corporations will be forced to sell large amounts of land to outside investors and, even worse, that non-Natives will move to take control of the Native corporations and the considerable assets they possess. Besides investment strategies to generate profits, Native leaders are adopting a number of strategies in order to avoid such future scenarios, including: rules that regional corporations have first option to buy stock sold by their members; lobbies in Congress pressing for tax-exempt status and extension of the 1991 deadline; and investigation of the possibilities of issuing land leases rather than sales after the deadline.[160]

Even if such strategies ultimately prove successful, it seems that the structure created by ANCSA has resulted in a situation where, considering what is at stake for Alaska Natives, the risk of failure is far too high. The 1991 date of termination reflects the emphasis on self-determination evident throughout the act. ANCSA clearly rejects the notion of Natives as wards of the federal government in need of federal direction, and wholeheartedly adopts the ethos of providing Natives with the tools and allowing them to stand or fall on their own. While the goal of self-determination is a laudable one, it is questionable whether the extreme form adopted in ANCSA can be justified. The legal accounta-

bility of the federal government for a bankrupt Native corporation remains unclear,[161] but it is highly possible that implementation problems, mismanagement, and other factors could result in substantial alienation of Native money and Native lands early in the next decade. The very real possibility that Alaskan Natives could lose a large part of the settlement received only twenty years previously suggests the existence of serious structural deficiencies in the framework of the Alaska Native Claims Settlement Act of 1971.

Evaluation of the validity of the capitalist approach employed by the framers of ANCSA to achieve fundamental Native goals is even more problematic. It is clear that ANCSA has generated positive results for Alaska Natives. As a result of the settlement there has been a substantial increase in the supply of capital and the availability of wage employment at the local level and 'there is little doubt that most rural Alaska Natives are better off today than they were twenty years ago.'[162] The settlement satisfied the basic demand of southern society for a legal base on which resource development could move forward. Yet at the same time and combined with other factors, it has also increased Native political power and control over that development, especially at the regional level. These new sources of economic and political control, in turn, provide Natives with new tools with which to protect the subsistence economy at least in the short term. And, above all, ANCSA has contributed significantly to the renewed dignity and pride of Alaska Natives. The role of ANCSA in prompting this trend through enhancement of the social status of Native Alaskans is well illustrated in an orientation speech given by management to pipeline workers:

> 'Now, then, you may come upon a small Indian village of twelve or fifteen families somewhere up along the Yukon. You are to treat these people with respect. When you see them you may wonder why you are to treat them with respect. Well, we can give you three very good reasons. First, because they are people. Second, because they were here first and they owned the land before we did. Third, because their Native Land Claims Corporations have got the money to hire the best legal talent in the United States'.[163]

As a result of the 1971 settlement, the Native people of Alaska received both material and intangible benefits sufficient to permit them an impressive amount of self-determination.

But a number of negative aspects are also clearly evident. The lack of a purely political aspect of ANCSA and the economic focus on Native business corporations as the hope of the future have diverted attention away from broad social goals toward narrower economic aspirations. One result of the settlement has been the difficulty faced by Native associations geared to social objectives . This is exemplified by the fact that social funding to Natives could be terminated by Congress.[164] 'Many non-profit corporations find it difficult to compete for

grants because of the misconception that all Alaska Natives are now wealthy'.[165] While only one such organization (Kawerak of Bering Strait) has actually declared bankruptcy, all the non-profit organizations face serious problems caused by inadequate funding and a failure to attract and retain top quality management.[166]

Similarly, the primary Native focus on strategies to enhance the economic viability of the regional corporations 'has served to divert attention from seeking solutions to the massive problems of village Alaska.'[167] While certain corporations have proven more successful then others at combining social and economic objectives, the use of the corporate model as the primary element of the settlement has served to channel the attention of Native leaders into the world of large-scale, profit-oriented paths of development and away from consideration of the redistribution of wealth and the holding of land in trust for future generations. As indicated above, conflicts are already apparent regarding the preservation of the subsistence economy and extension of renewable resource developments.

Moreover, it is certainly not clear how compatible a strategy of capitalist development is with the goal of maintaining a distinct Native culture. The dangers to Native culture are evidenced by the increasing divisions within the Native community in the post-settlement period. Such trends were no doubt inevitable once the unifying force of a common land claims battle was ended, but the existence of competing Native corporations and more importantly the conflicts between profit-maximization and other goals are certainly exacerbating disputes between Native groups. Many Natives have joined forces with the conservation organizations they have traditionally seen as antagonistic to aboriginal rights and the subsistence economy[168], in order to meet even greater threats posed by the huge capital-intensive resource developments sponsored by the Native corporations and their corporate allies. Nor is it clear that preservation of Native culture is compatible with the attitudes and activity demanded if the Natives are to be 'successful' under the structure of the 1971 settlement. Despite hopes expressed by Native leaders of creating 'the integrated man (by)... teaching Native Alaskans to successfully function on both the traditional and business levels of society',[169] it is not obvious that the large scale resource development and other activity necessary to preserve and expand the capital of the Native corporations will dovetail easily with such key traditional concepts as the desire to live in harmony with nature. If indeed the settlement is 'the death knell for Native culture, despite the careful attempts of the Natives to preserve it',[170] and especially if such cultural disintegration is accompanied by a failure to remedy the severe problems of villages in Alaska, then ANCSA may well be judged a failure even if the regional corporations do prove economically successful.[171]

It is because of these problems that Berger[172], Forrest and others condemn the Alaska settlement. They point to threats to the subsistence economy and to the assimilative tendencies inherent in the act. They fear the consequences of an act which does not give special status to Natives in either aboriginal rights or political structures but relies instead on the success of Native-controlled capitalist corporations.

> 'The possibility for Native-controlled, community-centred economic development exists in principle, but its potential may well have been buried by the structure of competitive regional corporations and the aura of big business these institutions encourage. Alaskan Natives have been co-opted into thinking in terms of large-scale joint-venture type of activities. Small community-owned and operated enterprises designed to serve local needs require one to think in a radically different way'.[173]

Such arguments have merit. They should not, however, be accepted without qualification. For example, cultural disintegration and instability at the village level long pre-dated ANCSA. Indeed, one reason Native leaders sought a quick settlement was to establish a secure Native economic and political base before such trends went too far.[174] On the other hand, it is not realistic or desirable to suggest that Native culture be kept 'pure' through isolation from the larger society. At most, therefore, ANCSA can be criticized only for contributing to (or perhaps reflecting) an already-existing problem. Moreover, any criticism of ANCSA must propose a viable alternative. One frequently-suggested alternative to ANCSA is investment in the subsistence economy so it can support the expanding Native population at an adequate standard of living in a lifestyle more in harmony with Native culture. But how realistic is this alternative, when even today in many areas of Alaska wildlife is exceedingly scarce?[175]

Similarly, it must be recognized that, especially in resource-poor areas like the North Slope, it is unrealistic to talk of small-scale and large-scale enterprises as alternatives. In areas where development of nonrenewable resources seems to offer the only immediate prospect for support of a permanent population at an adequate standard of living, and where the cost and risks of such nonrenewable resource development (and for that matter of many renewable resources as well) are so high that even multinationals act in consortia, small-scale enterprises depend on the larger ones. From this perspective, then, the ideal settlement is one which would allow Natives to control and participate fully in the large-scale ventures and, in addition, give them sufficient capital at the local level to invest in complementary small-scale enterprises. Such a settlement would ensure that local residents benefit from and exercise control over development in a way which allows them to bridge the gap between the Native and white societies, to adjust to the new culture while preserving aspects of their old culture.[176]

The regional corporations created under ANCSA represent one type of structure with which to achieve such ends. They may succeed, but on the other hand they may also result in the worst of both worlds: the profit-oriented centralized corporations are ill-suited to the achievement of broader social and democratic goals; however, attempts to widen corporate goals to include these broader objectives will immeasurably complicate the already difficult task of making these unwieldy organizations economically viable.[177] As several writers have suggested, therefore, a settlement structure based on the model of the co-operative might have been preferable to the 1971 adoption of the corporation model[178]. Co-operatives sufficiently large to handle major development projects, yet less wed to profit maximization and structured to encourage democratic decision-making and shareholder participation, might well have proven more compatible with traditional Native values and have met with more success in satisfying Native aspirations than the corporate structure created under ANCSA.

Until the corporate model is given more time to operate, and until a co-operative model is tried elsewhere, such a conclusion can only be tentative. However, other criticisms of the Alaskan settlement seem to rest on firmer ground. It is apparent that the pre-settlement movement focused almost entirely on issues of procedure: on the amount of money and land Natives were to receive and on the structure to be created. The substantive questions of how these were to be used - to what degree and under what conditions development would occur - were never explicitly addressed. Yet, as suggested above, not only did the answers given to the procedural questions bias later approaches to the crucial substantive questions, they also paved the way for the bitter Native quarrels of the post-settlement period. A second important consideration, clearly related to the first, is that, apart from grass-roots involvement in the early 1960s, the claims movement and the settlement negotiations were almost completely dominated by a small cadre of leaders. These leaders, able to work effectively in the larger society and willing (and eager) to accept a settlement based on an attempt to boost the opportunities for Natives to participate more equally in the mainstream of that larger society, largely got the settlement they wanted. This was not, however, a settlement easily understood by the majority of Natives.[179] Furthermore, the settlement by its very nature has worked to increase the gap between Native leaders and the majority of their followers:

> 'The corporate executives will be those who are willing to forego subsistence activities, to place a higher priority on board meetings than on salmon fishing, and to spend time talking to lawyers and financiers and bankers rather than the people of the villages. It is possible that there will develop a leadership cadre in the Native corporations that will become somewhat removed from the shareholders. The Native corporations, in this sense, will approximate other large businesses and that management will, more and more, be separated from ownership'.[180]

Early problems were created by the failure of the majority of Natives to understand the ANCSA structure. These are now being compounded by widespread apathy and anger among Alaskan Natives alienated from their regional corporations as a result of unfulfilled expectations and the threats posed to the subsistence economy.[181] As expressed in the following letter, there is far from universal acceptance of the strategy chosen by the elite:

> 'We don't want to become better white men or beat them at their own game. We just want a chance to develop our traditional values into a satisfying way of life that we can understand. An ACT is forcing us into new ways of organizing ourselves and doing things before we really understand what is happening'.[182]

Clearly an approach encouraging greater participation and consultation in the pre-settlement period might have lessened some of these problems. In both the focus on procedure rather than substance and the failure to move beyond elite accommodation to majority consensus, the Alaska Native claims movement took the path of least resistance. The fruits of such an approach were a rapidly achieved settlement at a time when Native demands presented in a relatively unified matter were largely met. The costs, in terms of uncertainty, confusion and Native conflict, are only now becoming evident. Native leaders in Alaska were clearly elated with the settlement they negotiated in 1971. A decade later they remain enthusiastic. Whether or not the majority of Alaskan Natives agree with this assessment, and will continue to do so in the future, is far from clear.

APPENDIX I

MAJOR DIFFERENCES BETWEEN FIRST, SECOND, THIRD, AND FOURTH CLASS CITIES IN ALASKA

The major differences between first, second, and third class cities in Alaska are few. They share many of the same powers and duties and have similar forms of municipal government. The major differences between the first three classes and the fourth class are greater. The various major differences between the several classes are as follows:

Incorporation

First Class: Requires at least 400 permanent inhabitants; at least 100 of the qualified voters sign an incorporation petition.

Second Class: Requires at least 50 permanent inhabitants; at least 15 of the qualified voters sign an incorporation petition.

Third Class: Requires at least 5 bona fide residents or property owners for petition; area limited to 50 square miles; no actual population requirement.

Fourth Class: Requires at least 25 permanent inhabitants 19 years of age or older within a 3-mile radius; at least 20 qualified voters sign an incorporation petition; size not limited by 3 mile radius.

Reclassification

First Class: May adopt home rule charter.

Second Class: May, if meets standards for incorporation of first class city, reclassify as first class city.

Third Class: May, if meets standards for incorporation of higher class city, reclassify as higher class city.

Fourth Class: May, if meets standards for incorporation of higher class city, reclassify as higher class city.

Powers

First Class: Greatest powers of any class save home rule; police, licensing, roads and streets, sales tax, property tax, special assessment, granting franchise, and so on.

Second Class: Very similar to first class; some limitation.
Third Class: Same as second class.
Fourth Class: Limited; powers continually growing; may not levy property tax or special assessments.

Duties

First Class: Primarily discretionary: must maintain and operate local school system; in certain situations, may be held responsible for adequate performance of authorized acts undertaken.
Second Class: Same.
Third Class: Same.
Fourth Class: So far, none; probably can be held responsible for adequate performance of authorized acts undertaken.

Form of Government

First Class: Variable: council-mayor or council manager.
Second Class: Same.
Third Class: Same. (Probably will be limited to board of trustees from whom a chairman is selected to act as ex-officio mayor).
Fourth Class: Council from whom president is chosen.

The most important distinctions would seem to be these:

i only a first class city may adopt a home rule charter;
ii only a fourth class city may not levy property taxes and special assessments;
iii only a fourth class city is not responsible for the operation and maintenance of a local school.

Source: T.A. Morehouse and U. Fischer, Borough Government in Alaska, 1971.

APPENDIX II

1976-1977 STATUS REPORT ON PROFIT-MAKING CORPORATIONS

The law required establishment of 12 regional corporations and incorporation of all villages within the regions or investment and disbursement of the proceeds. An option was offered for establishing a 13th region for Natives who lived outside the state.

Once established, the corporations issued stock to Natives enrolled in their regions, giving each stockholder 100 shares, the right to vote on corporate business and to receive dividends and disbursements.

Each region completed the difficult task of land selection as required by law and many have made formidable entry to the business world as shown by the following (end of 1976) information.

Note: (*) Indicates original enrollment. The rolls were reopened in 1976 to give a second chance to Natives who missed the first time, but the final tabulation is not yet in.
(**) These regions will lose a large percentage of their stockholders with the establishment of the 13th region.

Ahtna, Incorporated

8 villages
1,059* stockholders
Headquarters: Copper Center

Although small, Ahtna has the advantage of cohesiveness because its villages are linked by highway and stockholders all speak the same language. It was the first corporation to issue a dividend ($12.40 per share). Ahtna in the Indian language of the area means 'people of Copper River'.

Source: I. Rowan and L. Morgan, 'Alaska Native Corporations: A Status Report', Alaska Native Foundation, No. 1, 1977

Holdings and Ventures

- Ahtna Lodge, a motel located on Glennallen, joint venture between corporation and villages. Expected to break even in the first year.
- A regional office complex in Copper Center. About 70 percent of its 2,808 square feet is currently for lease.
- Ahtna, Rogers and Babler, a joint venture to perform pipeline related contracts.
- Athna, Chugach and Voss Service Company proposes to maintain the lower third of the trans-Alaska pipeline.
- Ahtna and Fischback & Moore, a joint venture specializing in electrical engineering.
- The region has invested a smaller-than-average amount in the United Bank Alaska.

Aleut Corporation

12 villages
3,064** stockholders
Headquarters: Anchorage

Aleut Corporation's island villages are among the most isolated settlements in the United States and 37 percent of its members live outside the state, making the logistics of stockholders' meetings a nightmare. The corporation declared losses during its first two years, but hopes to break even this year and show a profit in the next.

Holdings and Ventures

- Pribilof, a 225-foot freighter, has been purchased and is under lease to Aleut Transportation Company, a corporation subsidiary. The freighter is scheduled to make about four runs down the Aleutian Chain yearly as part of a 10-year government contract.
- Aleut Packer, a 160-foot refrigerator cargo ship, will begin hauling freight this spring. A 205-foot surplus military vessel has also been acquired for crab processing.
- An office building in Anchorage has been purchased to serve as a base for its office and its non-profit arm.
- 13 duplexes located in Fairbanks were purchased but recently sold.
- Holds a minor investment with other regional corporations in Alaska Consolidated Shipping Inc.
- The latest purchase is a sand and gravel company near Palmer.

Arctic Slope Regional Corporation

8 villages
3,797* stockholders
Headquarters: Barrow
Branch Office: Anchorage

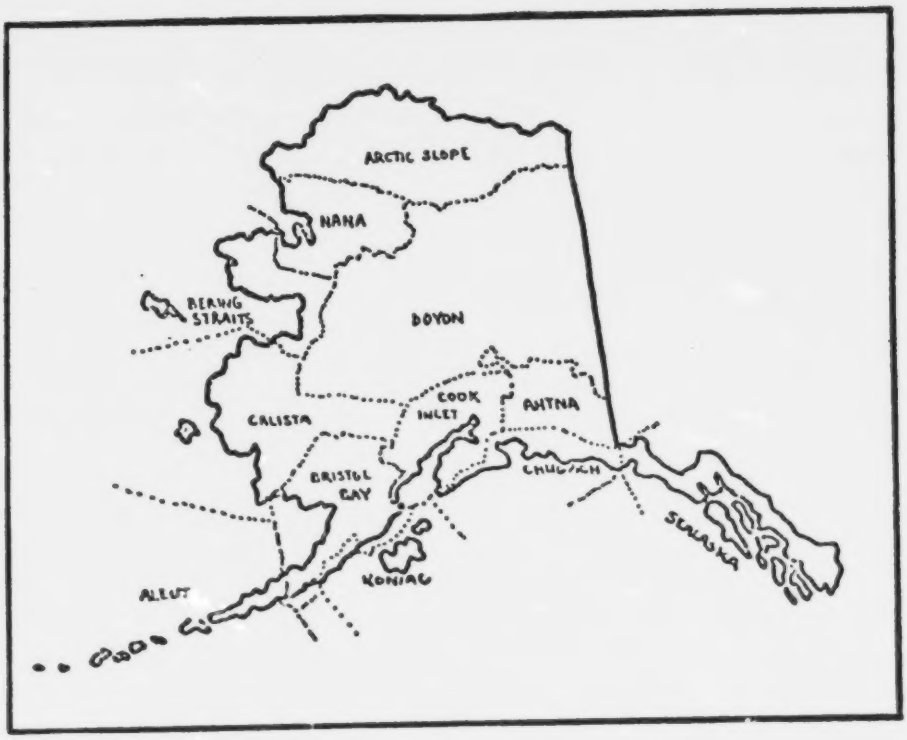
Eskimos of the Arctic Slope cope with one of the world's toughest environments and communication between their isolated villages is difficult. Balancing the scale is a wealth of oil under their frozen tundra, which makes their corporation potentially one of the richest.

Holdings and Ventures

- Eskimos, Inc., serves as a fuel distributor, heavy equipment and leasing business for the Arctic Slope. Eskimos, Inc. has recently joint-ventured with National Mechanical Contracts, Inc. at Prudhoe. This spring Eskimos, Inc., and SKW plan to begin construction of a corporate office building.
- A subsidiary of Eskimos, Inc. joint-ventured with SKW Construction of Anchorage to construct a warmstorage facility for Barrow, a garage for the Arctic Slope Regional Corporation, a shopping complex for Barrow Corporation, modification of PHS hospital and pilings for the new post office in Barrow.
- Tundra Tours, Inc., built the Top of the World Hotel in Barrow.
- Alaska Catering feeds the British Petroleum camp at Prudhoe.
- Inupiat Builders constructed housing and public buildings on the North Slope and is currently into remodeling.
- The region is joint-venturing with Alaska General Contractors, Inc. to develop roads and oil exploration pads for Navel Petroleum Reserve No. 4.
- An oil exploration agreement has been signed with Standard of California, Texaco, Union and AMOCO by the corporation.
- Division of Communications specializes in industrial radio, mini-tv and installation of transmitters in the villages.

Bering Straits Native Corporation

16 villages
6,364* stockholders
Headquarters: Nome
Branch Office: Anchorage



Map showing the 12 regions of Alaska

Bering Straits was quick to invest in a large number of highly diversified enterprises outside its Eskimo region and in the face of losses has begun to retrench.

Holdings and Ventures

- Currently operating Anchorage Trailer Sales, Fairbanks Mobile Homes Sales, Kenai-Valdez Trailer Sales and has a modular unit franchise. The Anchorage Trailer Sales constructed a 30-acre mobile home park in Valdez and a mobile home park in Anchorage.
- Operates the Bering Strait's Coastal Barge Line.
- Recently sold its 1/3 interest in Alaska Truck Transport Company, but kept a 32-acre trucking yard and an additional 92 acres of land in Fairbanks.
- Life Systems Company is a Fairbanks-based cement and gravel business.
- Bering Straits Central Construction Company has contracted for the Skagway Carcross road project, and for a road, airport and Loran site in Ketchikan.
- A 29-unit apartment complex and an 8- and 4-plex are planned for Nome.

- Seward Peninsula Mining and the corporation are exploring mineral deposits in the region as a joint venture project.
- Owns stock in Alaska National Bank of the North.

Bristol Bay Native Corporation

29 villages
5,282* stockholders
Headquarters: Dillingham
Branch Office: Anchorage

Bristol Bay must deal with three different language groups (Athabascan, western Eskimo and Aleut) within the region, and with highly varying lifestyles and dissident stockholders who occasionally threaten suit. This year the corporate management has covered past losses and predicts the region will soon report a profit.

Holdings and Ventures

- Recently purchased the Anchorage Westward Hotel and has given management to the Hilton hotel chain.
- Five fish processing plants and holdings in Alaska, Washington, and Oregon have been purchased.
- A 50-50 oil exploration agreement has been signed with Phillips Petroleum.
- Invested in United Bank Alaska and Alaska Shipping Consolidated Inc.
- Furnishing temporary financing to the Anchorage Daily News, but not considering purchase.

Calista Corporation

56 villages
13,258* stockholders
Headquarters: Anchorage
Branch Office: Bethel

Calista has the largest number of villages of any corporation, the problem of two different language groups, and a large number of shareholders who are not literate or fluent in English. Initial corporate losses have been heavy, but management notes that its investments have been 'mostly long range and losses were expected'. Calista translates to 'worker' or 'slave' in the western Eskimo language.

Holdings and Ventures

- A 15-storey hotel is being built in Anchorage. The hotel was expected to open in fall of 1978 under management of the Sheraton chain.
- Settlers Bay, a rural recreation subdivision of 1,800 acres near Anchorage, is a major corporate development.
- 173 acres of land in the Matanuska-Susitna Borough were acquired, in the hope the area will become the capital relocation site.
- Esca-Tech, a computerized land-information system, was purchased to assist the 56 villages in their land selection. The company is now selling services to state, federal and private enterprises.
- A 168-foot trawler-crabber has completed its first successful crab season.
- As a joint-venture with Peneco, Inc., a 30-acre mobile park near Valdez airport was purchased.
- Cal-Mar Company, its construction company, has contracted for building bush schools.
- A building was acquired in Anchorage to house the corporation, Esca Tech, and Settlers Bay Corporation.
- Opened R and R Travel Services with offices in Bethel and Anchorage.
- 15 acres in Bethel have been purchased for future industrial development.
- A 240 Convair plan has been acquired.
- Owns shares in United Bank Alaska and plans to invest in Alaska Consolidated Shipping, Inc.

Chugach Natives, Inc.

5 villages
1,874* stockholders
Headquarters: Anchorage

Chugach has the smallest number of villages of any region and is also hampered by low enrollment and limited land selection. Past indebtedness has yet to be covered and cash flow is a problem, a corporate spokesman admits, but he notes the balance sheet is definitely improving.

Holdings and Ventures

- Chugach Development Corporation won four contracts for pipeline related work; running tug services to the terminus and furnishing labor. One contract is still in operation for a crew of 10 or 11 to manage oil spills.

- In a joint-venture with Ahtna and Voss Corporation, a bid has been submitted to operate part of the pipeline after completion.
- Contracted for snow removal at the Fluor Alaska Inc. staff housing complex in Valdez.
- Purchased land in Seward for a possible shopping complex.
- Sunshine Plaza, a joint-venture with Kotzebue Village Corporation and developer Al Courtney has recently opened as a downtown shopping mall.
- Investment in Alaska Consolidated Shipping, Inc., is being planned.
- A joint-venture with Panther Electric has won the region a number of contracts.
- A 50-50 oil and gas exploration agreement has been signed with Phillips Petroleum Co.
- An asphalt plant in Valdez has been purchased and presently under lease to Northwest Construction.

Cook Inlet Region, Inc.

6 villages
5,993* stockholders
Headquarters: Anchorage

Being in the heart of the most developed area of the State, Cook Inlet found itself short on land selection in its Athabascan region; the in-lieu land set aside by the Department of Interior contained mostly mountains and glaciers. Court battles followed and it now appears that a compromise land swap between the region, state and federal government will help right early wrongs. Litigation stymied the region on early development of natural resources, but the corporation has managed to show a profit on commercial enterprises.

Holdings and Ventures

- Purchase of five hotels gave the corporation one-tenth of all Anchorage hotel space, which it now markets under the name of Inlet Inns.
- An office complex was purchased to house the non-profit arm, Anchorage Urban Native Center, and bingo and other recreational activities.
- One of the largest warehouses in Alaska has become the property of the corporation.
- Controls 51 percent of Pinnacle Construction which installed outhouses at the pipeline camps.
- Invested with other regions in United Bank Alaska and Alaska Consolidated Shipping, Inc.
- Construction of a large office complex in Anchorage is expected to be completed by August of this year.

Doyon, Ltd.

34 villages
8,805* stockholders
Headquarters: Fairbanks

Doyon, largest landholder of any region, ranks among the largest corporations in the United States but has been less hasty than most to invest. Early effort was spent on land selection from which considerable long-range profit is expected. This year Doyon paid off debts from seasons past and issued stockholder dividends. Doyon is the Athabascan word for 'leader'.

Holdings and Ventures

- An office building in downtown Fairbanks was built in 1975 to house the corporation, the non-profit arm and Boeing Computer Services.
- Joint-ventured with Alaska International Construction on pipeline related activities.
- An oil and gas exploration agreement has been signed with Louisiana Land and Exploration Company.
- Owns the major interest in International Technology Ltd., a surveying firm that has placed two rigs in the Gulf of Alaska, also works the Louisiana coast, Texas, Oklahoma, Wyoming and is considering an African venture.
- An agreement has been signed with a consortium of oil and exploration companies to explore mineral resources in the region.
- Tanana Asbestos Company hopes to go into production within two years.
- Owns a share of United Bank Alaska.

Koniag, Inc.

9 villages
3,121* stockholders
Headquarters: Kodiak

Koniag has had to fight bitterly to qualify its stockholders because the majority of its Eskimo-Aleut people were of part-Russian parentage and were considered white. In addition, many of Koniag's Native villages were destroyed during the 1964 earthquake and the legitimacy of claiming land for them was challenged in the courts. Koniag management cites high legal costs as one of the main reasons it is still operating in the red but notes accounting does not reflect value of additional land acquired.

Holdings and Ventures

- A building has been purchased in downtown Kodiak.
- Constructed a 40-unit apartment complex in Kodiak.
- Shelikof Net Company, the franchise for Evinrude Marine engines and Kodiak Outboard have been purchased.
- An exploration agreement has been signed with SoCal.
- A two-story building in Kodiak which houses Kodiak Western Airlines was recently purchased.
- Holds 51 percent of Cook Inlet Contractors, which has been active in clearing the right of way for the pipeline in the Nikiski area.
- Purchased Kodiak Kwik Copy and Martini & Associates Bookkeeping, but recently sold them back to the original owners.

Nana Regional Corporation

11 villages
4,762* stockholders
Headquarters: Kotzebue
Branch Office: Anchorage

NANA (formerly Northwest Alaska Native Association) represents Eskimo villages of such compatibility that all but one (the population center of Kotzebue) have merged with the regional corporation. NANA has declared a profit (though no dividends) for the past two years and hopes to wipe out early deficits in the year ahead.

Holdings and Ventures

- NANA Environmental Systems contracted to manage solid waste, sewers and water at Prudhoe Bay. Now half completed, the work is being held up in a legal tangle.
- NANA Development Corporation, Security Systems Division, has contracted to maintain security on the pipeline and to guard the duty-free area of the Anchorage International Airport.
- NANA Construction Company has a contract to build the tower at the Anchorage International Airport, housing for the elderly in Anchorage, a school in Kivalina, a bank in Wasilla and Anchorage as well as the North Slope Borough utilities building.
- Purchased a jade mine and property in the Kotzebue area.

- NANA Development's Tupik Building Supply is building a large three-storey facility in Kotzebue for a jade manufacturing plant, a museum for tourists and also a supply store.
- In 1974 the corporation built the Nul-Luk-Vik Hotel in Kotzebue.
- Purchased the Drift Inn at Kotzebue and turned it into an apartment complex.
- NANA Commercial Catering won contracts for Sheep Construction Camp, feeding from 100 to 1,100 during pipeline construction and is currently serving two drill rigs and a gold camp.
- NANA Reindeer Enterprises, a non-profit firm, is helping to establish commercial reindeer herds in the region and provide meat for the local population.
- NANA owns shares in United Bank Alaska.
- Signed an exploration agreement with Standard Oil.
- Owns a utility company that supplies prime and standby power at Prudhoe Bay.
- Also at Prudhoe, NANA runs Great Northern Express, Inc., a bus charter service that handles about 2,000 tourists annually, and an equipment building leasing operation.
- Runs a 240-man oil field service camp at Deadhorse, and owns the Chevron distributorship for gasoline and diesel with 11 trucks to supply British Petroleum.
- Serves as a fuel distributor for four of its villages.
- also invested in hotels in Kiana and Noorvik.

Sealaska Corporation

9 villages
15,117** stockholders
Headquarters: Juneau
Branch Office: Seattle, Washington

Sealaska has the largest number of stockholders of any region, also the largest number of urban stockholders. Its leadership long has been familiar with the capitalistic system and its remote Tlingit and Haida Indian villages are culturally allied. Despite such advantages, the development of its most visible wealth, timber, has been held up pending settlement of an easement issue. The corporation reported a profit this year.

Holdings and Ventures

- Sealaska Plaza, an office complex in Juneau is scheduled to open this summer.

- Alaska Brick Company of Anchorage with subsidiaries is a major building products manufacturer, a seagoing tug and barge operation and stevedoring company.
- Santco, joint timber venture between regional and village corporations.

13th Region

4,000** stockholders
Headquarters: Seattle, Washington

When Alaska Natives enrolled under the Settlement Act it appeared they voted against creation of a 13th region for non-resident Alaskans, but lawsuits followed on behalf of the outside region. Established Alaska regional corporations fought the 13th because it would take stockholders and money from them but, when the case ended up in a federal court, the creation of the 13th region was ordered. Since its creation, the 13th has moved ahead briskly, finalizing enrollment of shareholders and distributing half of the corporation's income from the Alaska Native fund to its qualified members. The first task has been to discover just what its shareholders want to do with the investment cash.

Holdings and Ventures

- Acting upon the needs of its shareholders, the 13th region has recently purchased the Washington Technical Institute, a vocational-training facility.

MEMBERSHIP IN THE REGIONAL CORPORATIONS

Corporation	Number of stockholders (9-14-74)	Stockholders residing in region (8-28-74)	Total population within region	Number of village corporations	Number of stockholders (12-31-77)
Ahtna, Inc.	1,092	495	1,332	8	1,057
The Aleut Corporation	3,353	1,667	7,694	12	3,124
Arctic Slope Regional Corp .	3,906	2,886	3,266	8	3,710
Bering Straits Native Corp.	6,916	4,638	5,749	16	6,271
Bristol Bay Native Corp.	5,517	3,596	4,995	29	5,315
Calista Corp.	13,441	11,561	12,617	56	13,193
Chugach Native, Inc.	2,099	1,062	6,286	5	1,881
Cook Inlet Region, Inc.	6,243	4,181	145,072	6	6,052
Doyon, Ltd.	9,221	6,683	57,354	34	8,90
Koniag, Inc.	3,340	1,958	9,409	9	3,267
NANA	4,905	3,643	4,043	11	4,755
Sealaska Corp.	16,493	9,529	42,565	9	15,388
13th Region	-	-	-	-	-
Totals	76,526	51,899	300,382	203	76,923

Note: Most of the changes between 1974 and 1976 are the result of the court-ordered election held in 1976 for the 13th region.

Source: O. Young, 'The Alaska Native Regional Corporations.'

APPENDIX III

NEW BODIES CREATED

Political Bodies

1. Organized Municipalities and Boroughs

Under ANCSA, each village corporation is to set aside 1,280 acres for municipal growth and expansion. In unorganized areas, this land is held in trust for the municipality by the state. In organized municipalities and boroughs, the land is under the jurisdiction of city councils and borough assemblies elected by citizens of the community (both Native and non-Native). Ranging from the minimal activities of fourth class cities and villages incorporated under the Indian Reorganization Act to the wide-ranging powers of first class cities, municipal bodies possess a variety of taxing and regulatory powers and provide a wide range of land use planning and other public service functions. Similarly, there are three classes of borough governments in Alaska and their scope of activity ranges from the basic educational orientation of the third class Haines Borough to the extremely active, comprehensive role of the North Slope Borough in capital building projects, cultural protection, and land use planning and regulation.

2. The Unorganized Borough

The Constitution of Alaska provides the state legislature with the authority to exercise local government powers in the unorganized areas of the state. Until recently political activity was minimal in the unorganized borough, but the creation of Regional Education Attendance Areas (REAAs) in which regionally elected boards exercise broad powers over education in the region signals a trend to an increase in local control over important areas of decision-making. Similarly, there has been a revival in the activities of elected village councils to handle local matters in the numerous unorganized villages of rural Alaska.

ANCSA Bodies

1. Regional Corporations

The 1971 settlement created thirteen regional corporations in Alaska to distribute the funds and to administer surface rights to part of the lands and subsur-

face rights to all of the lands received by Alaska Natives under the Alaska Native Claims Settlement. These corporations were to be set up as profit-making bodies using the basic model of the business corporation. Each Native in the region was given 100 shares in his regional corporation; hence each corporation was to be Native controlled until at least 1992 (at which time Natives are free to sell or transfer rights to their shares). Regional corporations were also given a supervisory role with respect to the newly created village corporations. While the village-region relationship as specified in the Act is ambiguous and likely to evolve in a widely diverse manner in different regions, the regions are generally supposed to assist and supervise village corporations in their land selection and land use plans, their expenditure plans, etc. The regional corporations may require village corporations to carry out joint projects with other village corporations or with the regional corporation itself. Disputes between the regional corporation and a village corporation are to be settled by arbitration as outlined in the articles of incorporation of the regional corporation (normally by an arbitration board consisting of an appointee of the regional corporation, an appointee of the village corporation, and third party agreed upon by both the region and the village).

2. Village Corporations

Numerous village corporations were created under ANCSA to administer a percentage of the funds and the surface rights to most of the land received by Alaska Natives under the 1971 settlement. Native village residents were all given shares in the village corporations; these could incorporate as for-profit or nonprofit organizations with boards of directors elected by the shareholders. Most incorporated as profit-making bodies and with varying degrees of success are attempting to manage the surface estate of the land under their jurisdiction and to invest corporate resources in a profitable manner. Like the regional corporations, the village corporations are not, at least de jure, political bodies: they do not replace village councils or municipal bodies (although there may be an overlap in membership) and their role as envisioned under ANCSA is an economic one of managing Native resources in a manner which is both profitable and consistent with the protection of Native culture.

Non-profit Bodies

1. Regional Non-profit Association

After the 1971 settlement, most of the regional Native associations incorporated as the nonprofit arms of the newly created regional corporations. Using funds

from the regional corporations and from grants and contracts from state, federal and private agencies they turned their attention to the administration of programs in the fields of health, education, housing, employment, etc., so important to Alaska Natives but ill-suited to the profit-oriented regional corporations. The bulk of these regional associations are operated by boards composed of elected village representatives. Such a structure gives even small villages without municipal charters some say in the planning and implementation of these programs at the regional level.

2. Alaska Federation of Natives, Inc.

The AFN is incorporated as a nonprofit organization, and its membership includes all the regional corporations. Supported by per capita grants from the regional corporations and from grants and contracts from state and federal agencies, the AFN continues to act as a land claims spokesman and to lobby for Native participation in the writing of post-ANCSA regulations, etc. However, it too has begun to lay greater emphasis on the provision of educational and service programs to Alaska Natives in the post-settlement period.

3. Alaska Native Foundation

The Alaska Native Foundation was first organized in 1968 as the AFN Charitable Trust. Since then it has severed its formal ties with the AFN and acts as an independent body offering a variety of services to the regional and village corporations. With financial support from grants and contracts, it offers assistance in land selection, financial and organizational management, research, and so on.

4. Alaska Tribal Association

The Alaska Tribal Association is a non-profit corporation established by the eleven village corporations receiving land but no money under ANCSA. Its purpose is to secure funding, distribute information and provide other services for its membership.

APPENDIX IV

1976-1977 STATUS REPORT ON NON-PROFIT CORPORATIONS

Under the Settlement Act regional corporations were established for profit making, generally along the boundaries of the original Native rights organizations, but under the law they were not allowed to concern themselves with health, welfare, education, social services or political causes. To fill these gaps, sister non-profit corporations set out to contract for as many health, housing, education and social service programs as possible to provide local control and employment. The non-profit corporations are funded solely by whatever state, federal or private grant they can obtain and often money received is too little to meet Alaska's high cost of living and travel. Yet the non-profit corporations are providing a wide variety of vital services.

Ahtna

Copper River Native Association
Copper River Basin Regional Housing Authority

The Copper River Native Association is presently administering services in the health, education, and manpower training area. The health programs include community health aides and village-built clinics, outreach workers who are assessing the water and sanitation needs, a data-needs assessor, social worker, and emergency health maintenance; dental co-ordinator and fluoride treatment; homemaker health aides who assist the elderly in home cleaning and repairs; alcoholism co-ordinator with a counselor; presently negotiations are taking place for a mental health program to deal with problems related to pipeline development in the region; and an elderly-handicapped transportation system. Bilingual and bicultural programs in the schools are being administered. The manpower training program offers public service employee training in various local offices.

The Copper River Basin Regional Housing Authority is undergoing a change in its organizational structure but hopes to begin upgrading and winterizing village homes.

Source: I. Rowan and L. Morgan, 'Alaska Native Corporations: A Status Report'.

Aleut

Aleutian/Pribilof Islands Association, Inc.
Aleutian/Pribilof Regional Housing Authority

Aleutian/Pribilof Islands Association provides services in health, education, manpower training, community development, and aquaculture. The health services include community health aides, emergency medical training, community health representatives, and alcoholism and mental health programs. Bilingual and bicultural programs are being administered as well as job training and employment assistance. The community development programs help the villages in writing proposals, planning and administration. One noted project is a current feasibility study to determine the possibility of cattle and sheep raising on Umaka Island as a profitable, retail venture.

The Aleutian/Pribilof Regional Housing Authority is currently setting up operations to upgrade village housing needs and develop grant proposals for villages without electricity.

Arctic Slope

Arctic Slope Native Association

The Arctic Slope Native Association has transferred the majority of its non-profit activities to the Arctic North Slope Borough.

Bering Straits

Kawerak
Norton Sound Health Corporation
Bering Straits Regional Housing Authority

Kawerak is currently going through bankruptcy but still operates 5 contracts under protective trust funds; management of the reindeer program for BIA, and manpower training programs for the Department of Labor are current programs.

Norton Sound Health Corporation. This is one area where an Indian Health Service Hospital was never established. Norton Sound Health Corporation was established to fill the gap, initiated a health aide and village clinic program and also coverage of dental health. Today it is unusual in that it serves non-Natives as well as Natives with a fully integrated governing board and is currently building a $6.2 million hospital for the region.

The Housing Authority was responsible for 182 housing units being constructed in the region last year, with plans being developed for an additional 40 units to be built in two communities this year.

Bristol Bay

Bristol Bay Native Association
Bristol Bay Area Health Corporation
Bristol Bay Regional Housing Authority

Bristol Bay Native Association administers manpower training programs, economic development, and education programs. The educational programs include preschool teachers, training of village administrators, utility maintenance training, bilingual and bicultural activities. The community development program helps in village planning and administration, and keeps the villagers informed of the rules and regulations regarding the land and its resources. A transportation program for the elderly and the handicapped is expected to begin within a few months.

Bristol Bay Area Health Corporation is providing health programs such as the employment of community health aides, outreach workers, and the provision of dental education and fluoride treatment, emergency medical training, health education, youth recreation and safety, community injury control. The corporation anticipates that a mental health program will begin shortly.

Bristol Bay Regional Housing Authority was responsible for the administration of 30 units being constructed in one village last year and has developed plans to construct another 80 units in three villages this year.

Calista

Association of Village Council Presidents
Yupiktak Bista
Yukon-Kuskokwin Health Corporation
AVCP Regional Housing Authority
Nunum Kitlutsisti

The Association of Village Council Presidents is in the process of consolidating 4 of the non-profit entities which will provide one central contact point for the region, thereby lessening the confusion to the villagers and government

agencies as well as providing a comprehensive development plan for the area. AVCP Regional Housing Authority will remain as a separate entity.

Yupiktak Bista is currently providing manpower training programs, employment assistance, summer youth recreational and guidance programs, village administration training and school board training.

Yukon-Kuskokwin Health Corporation is responsible for primary health care and administers such services as health aides, dental education, mental health, emergency medical service training, community health representatives and community liaison representatives. It coordinated financing and planning of a hospital now under construction at Bethel.

Nunum Kitlutsisti is assisting the villagers in protecting their subsistence lifestyle.

AVCP Housing Authority administered the construction of 30 units in three villages last year. Applications have been submitted to HUD for an additional 82 units to be constructed in the region.

Chugach

North Pacific Rim
North Pacific Rim Housing Authority

North Pacific Rim is responsible for health, manpower training and employment assistance, education and community service programs. Community health aides, outreach workers, emergency medical training are current health programs. The education services administered are cultural enrichment, youth recreation and guidance. A paralegal program helps villages in administration, research and technical fields.

The North Pacific Rim Housing Authority is in the process of planning and submitting grant proposals for housing units in the region.

Cook Inlet

Cook Inlet Native Association

Cook Inlet Native Association has contractual services in the areas of health, education, manpower, community services, youth and social services. The health

services provided are community health aides, outreach workers, emergency medical service training, programs for alcoholism, mental health, and accident-injury prevention. The education department services include adult basic education, boarding home student program, day care, child abuse and neglect, and family aides. The community services offer cultural programs such as the yearly potlach, Native dances, arts and crafts and a newspaper. The social service department administers general financial assistance, counselling and agency referrals. The youth department sponsors recreational activities, tutors, career guidance, employment and summer camp activities. There is also a program for the elderly and handicapped which offers hot lunches, entertainment and transportation.

Doyon

Tanana Chiefs Conference
Tanana Chiefs Housing Authority

Community health aides program, emergency medical training, community health representatives and planning; manpower training and employment assistance; adult basic education; economic development; social services and the Tanana Chiefs College are some of the programs administered by the Tanana Chiefs Conference.

Tanana Chiefs Housing Authority has been responsible for the construction of 80 housing units in three villages and anticipate another 55 units to be built in three more villages this year.

Koniag

Kodiak Area Native Association
Kodiak Area Regional Housing Authority

Provides services in the areas of health, education, manpower training, economic development and housing. The health programs include provision of community health aides, community health representatives, emergency medical services, mental health, and a patient boarding program. The education services include a summer youth program, upward bound program, boarding home student program, and the cultural enrichment programs. The Housing Authority is in the process of implementing construction of 90 houses in four villages and anticipates a grant to construct another 20 housing units in one more village.

NANA

Mauneluk Association
NANA Regional Housing Authority

Mauneluk Association has health services such as the health aide program and planning; alcoholism, geriatric care, welfare programs, adult and vocational education, bilingual programs, credit and finance, early childhood development, economic development, fish and game advocacy. The Housing Authority was responsible for constructing 100 housing units last year and anticipates construction of another 43 housing units this year.

Sealaska

Tlingit-Haida Central Council
Southeast Alaska Regional Health Corporation
Tlingit-Haida Regional Housing Authority

Tlingit-Haida Central Council is responsible for providing services in the areas of education, manpower training and employment assistance. Higher education guidance and assistance, general social services, and tribal operations are also provided.

The Health Corporation offers health services such as the community aides program, emergency medical services, training of tribal leaders, and community health representatives.

The Tlingit-Haida Housing Authority has successfully administered the construction of 365 housing units in 10 villages over the past two years and has plans for an additional 157 housing units to be constructed in the near future.

13th Region

AL-IND-ESK-A

Has recently opened offices in Seattle and Portland. Currently in the process of planning and development. Presently to begin administering a Metropolitan Home Re-establishment and Conservation Program in the King County area and has plans to provide career counselling in the near future. They are also responsible for publishing a general-information newspaper titled 'Alaska Native Times'.

The Native Future

The crucial date is 18 December 1991, twenty years after passage of the Settlement Act, when Native corporations will be free to sell stock to non-Natives and conduct business without restraint. The tax burden they face at that time will be enormous and it is possible that many will be forced to sell to outside investors or allow wholesale development of subsistence lands to meet these obligations. The problem is particularly crucial for reservations, which hold title to enormous acreages but did not join in the claims settlement and have little money for development and planning.

Native leaders are well aware of these problems, however, and are fighting now to provide viable options to insure the inheritance of their people. Many hope to see land leases rather than outright land sales. Some corporations have ruled they have first option to buy stock sold by members and some have already used claims money to purchase additional land from whites.

However it comes down, it is certain Alaska Natives have the biggest vested interest in the nation's 49th state and want the best for it. Tlingit Byron Mallott, president of Alaska Federation of Natives, explained it well to the local business community at a symposium on economic development in Anchorage in 1977: 'Alaska is our total investment,' he told them. 'Whatever happens to Alaska happens to us all. We can't pack our bags and leave!'

Source: I. Rowan and L. Morgan, 'Alaska Native Corporations: A Status Report'.

APPENDIX V

LAND OWNERSHIP AND CLASSIFICATION IN ALASKA

By 1985, after state and Native land selections are complete, ownership of Alaskan lands will be divided as follows:

Private land	1 million acres	(1% of total land)
Native land	44 million acres	(11% of total land)
State land	103 million acres	(28% of total land)
Federal land	227 million acres	(60% of total land)

In addition, the resources of the outer continental shelf are also under federal jurisdiction.

All land in Alaska is, of course, subject to the laws and regulations of state and federal agencies with respect to the quality of water, clean air standards, game and fish management, and so on. Moreover, in organized areas, development is also subject to a variety of regulations promulgated by cities and boroughs with various land use and zoning powers.

On privately owned land in Alaska, as elsewhere in the United States, subsurface resources can be developed under American law without the permission of the individual who holds surface rights to the land providing the latter is compensated for damage done to the surface.

On Native holdings, the Native corporations created under ANCSA are responsible for land management. Though free to sell their lands, no Native Corporation has thus far evidenced any desire to do so; instead all have concentrated on identifying land use priorities and devising strategies and controls to ensure such priorities are realized. Non-shareholders desiring to harvest the resources or otherwise develop Native lands must seek the permission of the Native corporations. Contrary to normal procedures, the regional corporations with subsurface rights to Native lands must obtain the consent of the village corporation before developing any subsurface resources on land to which the village corporation holds surface rights. Conversely, the plans of the village corporation for land use must be submitted to its regional corporation for review. Finally, where a certain land use will affect lands held by another region, there is clearly a need for land use agreements between Native corporations of different regions.

Federal land is classified to permit varying degrees of development. In addition to the lands withdrawn for conservation purposes by previous administrations, under the Alaska Lands Bill signed into law on December 2, 1980, 56.7 million acres are classified as wilderness areas where logging, mining and motorized vehicles are prohibited and 47.6 million acres are also subject to environmental protection - some development is allowed but only under stringent environmental safeguards. Thus, out of a total of over 370 million acres in Alaska, hunting is prohibited on 8% of the land, 20% of the land is off-limits to oil and gas exploration, and 34% is closed to mining activity.

REFERENCES

1. An editorial statement in the Tundra Times, quoted in Arnold, R.D. et. al., Alaska Native Land Claims (Anchorage: Alaska Native Foundation, 1978 edition) p. 146.

2. Hanrahan, J. and Gruenstein, P., Lost Frontier: The Marketing of Alaska (New York: W.W. Norton & Co. Inc., 1977) p. 231. See chapter 10 for greater detail on the mineral wealth of Alaska.

3. The State's hope is, of course, that as the current petroleum boom begins to fade, production of these other minerals will permit continued economic prosperity.

4. Lost Frontier, p. 280.

5. Ibid., p. 271.

6. Ibid., pp. 268 - 271.

7. Kresge, D.T., Morehouse, T.A., and Rogers, G.W., Issues In Alaska Development (Seattle: University of Washington Press, 1977) p. 210.

8. A number of books provide more detailed accounts of the political and economic evolution of Alaska. Much of the material in this section is taken from Kresge et al, especially pages 14 - 49.

9. Ibid., p. 34.

10. In 1953, for example, expenditures of the Department of Defense in Alaska reached their peak at a level of $512.9 million.

11. 'The people who came with military Alaska were not independent, self-sufficient agricultural pioneers of past centuries, but members of mid-twentieth century America's urban industrial society. They required and expected the same standards of community living and services available elsewhere and the economic prosperity which accompanied their coming made it possible to meet those demands'. See Issues in Alaska Development, p. 45.

12. Morehouse, T.A. and Harrison, G.S., 'State Government and Economic Development in Alaska', in Harrison, G.S., Alaskan Public Policy (Alaska: Institute of Social Economic and Government Research, 1971) p. 25.

13. This is a principal theme of Rogers, G.W., The Future of Alaska Economic Consequences of Statehood (Baltimore: The Johns Hopkins Press, 1962). See especially p. 148.

14. 'State Government and Economic Development in Alaska', p. 29.

15. For an interesting and detailed account of the statehood movement, see The Future of Alaska, Chapter V.

16. Although this meant that the federal government reserved a major role for itself in the ownership and management of Alaska's land and natural resources, the State actually received more than other states in earlier similar acts. See Lost Frontier, p. 10. Yet even after state and Native withdrawals are completed, nearly 60% of Alaska's land will remain in federal hands.

17. A discussion of the location and ownership of the most promising oil discoveries in the State is provided in Issues in Alaska Development pp. 86 - 93.

18. The Future of Alaska, pp. 182-183.

19. Issues in Alaska Development, p. 4.

20. Ibid., pp. 206-209.

21. The influence of the oil companies is clearly recognized by Governor Hammond of Alaska: 'Well, of course, now we're funding state government to the tune of 63% from oil revenues. We've become so dependent on them that if you in fact drove them out of the state it would be extremely traumatic'. Lost Frontier, p. 124.

22. The pro-development alliance is composed of the multinationals, the Teamster's union, some of the Native corporations and local 'boomers' like Robert Atwood, the publisher of the Anchorage Daily Times. See Lost Frontier, especially Chapter 3. The 'no-growth' or perhaps more accurately 'limited growth' position of environmental groups, academics, and some native organizations is clearly outlined in such books as Cooley, R.A., Alaska A Challenge in Conservation (Madison: The University of Wisconsin, Press, 1967).

23. Getches, D.H., 'The North Slope Borough, Oil, and the Future of Local Government in Alaska', U.C.L.A. - Alaska Law Review, Volume III, No. 1, Fall 1973.

24. More information concerning the state constitution and the state's political structure is found in 'State Government and Economic Development in Alaska', especially pp. 28-29.

25. A comprehensive outline of the history and structure of local government in Alaska can be found in Morehouse, T.A. and Fischer, V., Borough Government in Alaska (Fairbanks: Institute of Social, Economic and Government Research, 1971).

26. These special districts included nine independent school districts and seven public utility districts organized on the fringes of the larger cities.

27. Hippler, A. and Conn, S., 'The Village Council and its Offspring: A Reform for Bush Justice', U.C.L.A. - Alaska Law Review, Volume V, No. 1, Fall 1975.

28. Article X, Section 1 of the state constitution; see Borough Government in Alaska, Appendix A.

29. 'The North Slope Borough, Oil, and the Future of Local Government in Alaska', p. 57.

30. The Local Boundary Commission has jurisdiction over matters of boundary change subject to legislative veto; the purpose of the Local Affairs Agency is to develop the local government system and to facilitate legislative and administrative change in this area. More information is provided in Borough Government in Alaska, pp. 51-55, 128-132.

31. Four boroughs - Ketchikan, Sitka, Juneau and Kodiak Is. - incorporated voluntarily before the deadline; four others - Anchorage, Fairbanks, Kenai Peninsula, Matanuska-Susitna Valley - were mandatorily incorporated. 'The North Slope Borough, Oil, and the Future of Local Government in Alaska', p. 59. Three classes of boroughs were created: first class boroughs with a home rule charter; second class boroughs with powers over planning, education assessment and taxation, and third class boroughs with powers over education only. Borough Government in Alaska pp. 84-89.

32. Borough Government in Alaska, p. 10.

33. According to comments by T.A. Morehouse, October, 1981.

34. McBeath, G.A. and Morehouse, T.A., Alaska Native Self-Government (Ottawa: Department of Indian and Northern Affairs, 1979) p. 30.

35. The Dynamics of Alaska Native Self-Government, p. 67.

36. Ibid, p. 70.

37. Ibid, p. 70.

38. Ibid, p. 107.

39. A more detailed description of the locations and basic cultural and historical characteristics of the different Native groups is contained in Issues in Alaska Development, pp. 14-21.

40. Ervin, A.M., 'The Emergence of Native Alaskan Political Capacity, 1959 - 1971', Musk-Ox 19, 1976, p.5.

41. A brief overview of the evolution of Indian Policy in the United States is provided in M. E. Price, 'A Moment in History: The Native Claims Settlement Act,' UCLA-Alaska Law Review, Vol. 8, No. 2, Spring, 1979.

42. In the 1960s 37,000 out of a total of approximately 53,000 Natives lived in 175 native villages and small towns. Although cyclical migration to find wage employment in the cities was becoming more prevalent (often merely resulting in an exchange of rural poverty for urban poverty), evidence suggested that the village base remained surprisingly stable, and that 60% of natives continued to depend heavily on subsistence activities for their livelihood. See ibid., p. 5, and Lost Frontier p. 89.

76. AFN lobbying techniques are outlined in detail in The Alaska Pipeline, esp. p. 156.

77. Ibid., p. 170.

78. Ibid., pp. 153-162.

79. Despite the 900 million dollars in revenue obtained from the 1969 lease sale in Prudhoe Bay, the state remained in serious economic trouble and desperately needed the royalties from the oil which would flow through the pipeline. Hence the underlying basis for a state-Native alliance was forged. See Ibid., pp. 139-141.

80. Ibid., p. 163.

81. The members of the Arctic Slope Regional Association voted against acceptance of the settlement. Alaska Native Land Claims, p. 144.

82. ANCSA is discussed in more detail in ibid, units 5-8, while Appendices A-I contain the original document amendments to it.

83. The founding of the thirteenth corporation was delayed by lawsuits for five years. After its incorporation, it immediately launched a campaign in Washington to receive land as well as money. Alaska Native Land Claims, p. xiii, p. xviii.

84. Ibid., pp. 256-60 provides greater detail on the conditions for village eligibility.

85. Ibid., p.160.

86. Brewer, M.C., 'Land Commitments in Alaska', Arctic Volume XXVII, No. 4, December 1969, p. 269. This section of ANCSA was employed in December 1980 when President Carter signed the Alaska Land Bill covering 104.3 million acres, 56.7 million of which are designated as wilderness lands where no development is permitted, the remainder designated such that development can occur only under very stringent safeguards.

87. Ibid., p. 252.

88. Ibid., p. 268.

89. See ANCSA, Section 2(a), (b).

90 See ANCSA, Section 6(b).

91. Alaska Native Land Claims, p. 250. Unit 8 of this book outlines the great problems the Native corporations experienced in trying to make their land selections before the stipulated deadlines.

92. The successful tactics adopted by the Arctic Slope Regional Corporation under the guidance of their consultants from Price and Waterhouse are outlined in Bowlan, M., 'Portrait of an Eskimo Corporation', Price and Waterhouse Review, Volume XXIV, No. 1, 1979 pp. 20-21.

93. Alaska Native Land Claims, pp. xviii-xix.

94. A list of several of the court cases which have emerged as a result of ANCSA appears in Branson, D.M., 'Square Pegs in Round Holes: Alaska Native Claims Settlement Corporations Under Corporate Law', U.C.L.A. - Alaska Law Review, Vol. VIII, No. 2, Spring 1979, pp. 104-105.

95. The Alaska Pipeline, p. 9.

96. In 1978, for example, AFN executives were suggesting that amendments to ANCSA were still needed with respect to future land taxation, stock alienation, easements, and a number of technical details. Alaska Native Land Claims, p. xix.

97. Rowan, I. and Morgan, L., 'Alaskan Native Corporations: A Status Report', Alaska Native Foundation, No. 1, 1977, p. 4.

98. Last Frontier, pp. 100-101.

99. Alaska Native Land Claims, p. 215.

100. Young, O.R., 'The Alaska Native Regional Corporations', A paper prepared for the annual meeting of the American Association of the Advancement of Science, Houston, 3-9 January 1979, p. 14.

101. This is the conclusion reached in 'Square Pegs in Round Holes: Alaska Native Claims Settlement Corporations Under Corporate Law'.

102. Last Frontier, p. 103.

103. A comprehensive treatment of the difficulties in the relationship of village and regional corporations with respect to both land and money transactions is provided by Price, M.E., 'Regional Village Relations Under the Alaska Native Claims Settlement Act', Parts I & II, U.C.L.A. - Alaska Law Review, Volume I, No. 1 Fall 1975 and No. 2 Spring 1976.

104. Ibid., Part 1, p. 61.

105. Alaska Native Land Claims, p. 198.

106. A study done for the ANF estimates that villages need a minimum of $70,000 per year to meet basic costs and suggests that most villages are not likely to be able to generate this sum. The results of the study are outlined in Alaska Native Land Claims, pp. 227-228.

107. This prediction by Perry Keaton, an officer of the United Bank of Alaska, is cited in 'Alaska Native Corporations: A Status Report' p. 4.

108. For example, by 1978 four interior villages had merged to form MTNT United; ten of the original eleven village corporations in the region of the NANA corporation had merged with the regional corporation. Alaska Native Land Claims, p. xv.

109. H. Napoleon, president of the Yupiktak Bista regional non-profit organization suggested that in retrospect, incorporation of villages as profit organizations was often a mistake: 'In some cases, rather than have a village money-making corporation, a community centre or a community library might have been more practical and might have proven more valuable in twenty years when the village corporation has gone broke'. Quoted in Alaska Native Land Claims, p. 227.

110. Ibid., p. 153.

111. Profiles of the thirteen regional corporations are provided in ibid, pp. 166-196.

112. Calista corporation, for example, encompasses a region of almost 56,000 square miles with a total population of 13,000 living in fifty-six villages.

113. The shortage of Natives trained to fill all the positions after the 1971 settlement is analyzed in Kleinfeld, J., Jones, P., and Evans, R., Land Claims and Native Manpower (Alaska: Alaska Native Foundation and Institute of Social, Economic and Government Research, University of Alaska, 1973).

114. 'So many bankers are taking me to lunch these days I'm getting fat', exclaimed one native leader. Alaska Native Land Claims, p. 209.

115. The new cordiality between the 'boomers' and the native leaders turned 'responsible capitalists' by the 1971 settlement is described in Last Frontier, p. 54.

116. Ahtna Corporation, for example, has contracts for the control of soil erosion near the pipeline and for putting pipeline camps into mothballs. An interesting summary and assessment of the investment activities of the regional corporations can be found in Alaska Native Land Claims, pp. 104-111.

117. Ibid., p. 105.

118. 'A Rocky Road to Capitalism for Alaskan Natives', Business Week, November 28, 1977, p. 119.

119. 'The Alaska Native Regional Corporations', p. 15. See also 'Alaska Native Corporations: A Status Report', pp. 10-13.

120. Not all investments lead to such conflicts, of course. Reindeer herding, for example, is both profitable and compatible with traditional Native lifestyles. See Naylor, L.L, Stern, R.O, Thomas, W.C, and Arobio, E.L, 'Socioeconomic Evaluation of Reindeer Herding in Northwestern Alaska', Arctic, Volume XXXIII, No. 2, June 1980.

121. Last Frontier, pp. 113-115.

122. This statement was made by the Secretary of Koniag, as cited in ibid., p. 186.

123. Ibid., pp. 108-111 provides a summary of the activities of NANA Corporation and concludes that it has made a promising start in meeting the aspirations of its shareholders.

124. 'A Rocky Road to Capitalism for Alaskan Natives', p. 115.

125. Last Frontier, p. 116.

126. Congressional reasoning behind the rejection of a statewide Native corporation appears in 'Region-Village Relations Under the Alaska Native Claims Settlement Act', Part I, p. 59, n.

127. Berger, Justice T.R., Northern Frontier, Northern Homeland (Ottawa: James Lorimer & Co., Publishers, 1977) p. 176.

128. Alaska Native Land Claims, pp. 203-205.

129. For an discussion of the problems created by such factors see 'Alaska Native Corporations: A Status Report', pp. 4-5.

130. For example, Cook Inlet Inc. encompasses four different boroughs, while Sealaska Corporation contains four boroughs plus a substantial amount of unorganized borough. Only the Arctic Slope and Koniag regional corporations share boundaries which are reasonably congruent with those of a borough.

131. Alaska Native Self-Government, p. 89.

132. 'The Village Council and its offspring: A Reform for Bush Justice' p. 42.

133. Alaska Native Self-Government p. 93. Much of the material in the following discussion of REAAs and program decentralization to native regional associations is taken from this source, especially pp. 93-97.

134. Alaska Native Self-Government, p. 131.

135. Ibid., p. 93.

136. The reasons for state opposition and the tactics used by the state administration to delay incorporation of the North Slope Borough are outlined in ibid., pp. 107-108.

137. For an outline of the series of court cases between the Borough and the oil companies spanning several years, see 'The North Slope Borough, Oil, and the Future of Local Government in Alaska'.

138. The squalid conditions of Barrow in the late 1960s are graphically described as a 'rural slum' in Alaska A Challenge in Conservation, pp. 188-189.

139. See Mitchell, E. and Reeves, R.R., 'The Alaska Bowhead Problem: A Commentary', Arctic, Volume XXXIII, No. 4, December 1980.

140. Such problems are described in Alaska Native Self-Government pp. 125-126.

141. Morehouse, T.A. and Leask, L., 'Alaska's North Slope Borough: Oil, Money and Eskimo Self-Government', Polar Record, Volume XX, No. 124, 1980, p. 28.

142. 'Eskimo Rally Ice Bloc', The Polar Times, June 1978.

143. Alaska Native Self-Government p. 140. This book provides a more general discussion of the types of issues under examination here. See especially pp. 132-137.

144. 'We got together with the oil corporation lawyers and lobbyists and agreed to the terms of a truce...' This quotation by Eben Hopson, Mayor of the North Slope Borough, appears in ibid., p. 115.

145. The Borough is, for example, trying to get the oil companies to participate in the deliberations of the Borough Planning Commission but 'such a relationship has yet to solidify'. Ibid., p. 131.

146. 'Alaska's North Slope Borough: Oil, Money and Eskimo Self-Government', p. 28.

147. A survey taken in 1977 showed that 2/3 of the villager respondents felt that the borough was meeting their needs. Ibid., p. 27.

148. Alaska Native Self-Government, p. 137.

149. Ibid., pp. 97-99 outlines the shape these pressures have taken.

150. Ibid., p. 143.

151. Ibid., p. 149.

152. This argument is made by Harrison in 'The Alaska Native Claims Settlement Act, 1971', Arctic, Vol. XXV, No. 3, September 1972.

153. Ibid., pp. 223-224.

154. Forrest, A, 'Development and Land Rights: The Case of Alaska', Dene Rights, Volume VII, p. 2. It is apparent that there are difficulties in the position argued by Forrest, especially since she herself states: 'Nor can one easily dismiss the view that the settlement was the best that could be gotten and that some settlement is better than no settlement'.

155. In 1969 Vice-President Galloway of Humble Oil stated: '...the oil is going to be extracted and some of the country hitherto unmolested is going to be torn up in the process. Let's not fool ourselves. This activity is already far past the point of return'. Quoted in The Alaska Pipeline, p. 3.

156. It is difficult, therefore, to understand the following statement by Forrest: 'My conclusions, on the basis of my study of Alaska, is that the power of multinational corporations and compliant governments is such that it is extremely difficult for native people to get the kind of settlement they initially say they want'. See 'Development and Land Rights: The Case of Alaska' p. 12.

157. The Alaska Pipeline, p. 247. This sentiment is echoed by Native leaders themselves, some of whom have suggested that a settlement achieved ten years earlier would have been far less favourable.

158. 'The Alaska Native Claims Settlement Act, 1971' p. 224.

159. Alaska Native Self-Government p. 149.

160. See 'Alaska Native Corporations: A Status Report', p. 16.

161. A brief discussion of the cloudy nature of the continuing relationship of the federal government and Alaskan Natives is provided in Alaska Native Land Claims, pp. 279-280.

162. Alaska Native Self-Government, p. 148.

163. The Last Frontier, p. 121.

164. 'Alaska Native Corporations: A Status Report', pp. 6-7.

165. Ibid., p. 6.

166. Note that as business corporations, the regional corporations are limited to tax exempt donations of only 5% of their profits to charity. If they are too generous in their donations to the regional associations, the regional corporations open themselves up to the possibility of suits from disgruntled shareholders.

167. 'The Alaska Native Regional Corporations', p. 29.

168. Hostility between Natives and conservationists has been a continuing theme in the history of Alaska, as Natives fight to preserve aboriginal hunting and fishing fights on lands desired as wilderness areas by conservationists. This hostility continued during the claims movement, when conservationist groups opposed the passage of ANCSA until a comprehensive land plan was worked out for Alaska. Serious problems have also arisen in the post-settlement period, on Nunivak Island and elsewhere because choice lands were reserved for conservation purposes and Natives were forced to select distant, inferior 'regional deficiency' lands. See Brewer, M.C., 'Land Commitments in Alaska', Arctic, Volume XXVII, No. 4, December 1975, p. 269.

169. This opinion was expressed by Perry Eaton, treasurer of Koniag in George, G. 'Times Changing for Alaskans', The Native People, December 5, 1980, p. 12.

170. The Alaska Pipleline, p. 246.

171. This argument is persuasively made in 'The Alaska Native Regional Corporation', p. 30.

172. Northern Frontier, Northern Homeland, Volume 1, p. 176.

173. 'Development and Land Rights: The Case of Alaska', p. 17.

174. See 'The Emergence of Native Alaskan Policical Capacity, 1959-1971', p. 13.

175. This type of argument is of course commonly made against the position taken by Justice Berger in Northern Frontier, Northern Homeland. See for example, McConnell, W.H., 'The Report of the Mackenzie Valley Pipeline Inquiry, Volume One: Summary and Critique of the Final Two Chapters and Epilogue', Musk-Ox 21, 1978. The argument is most persuasive in the Alaskan case given the drastic decline in wildlife populations in all regions of the state (figures are provided in 'Alaska Native Corporations: A Status Report', p. 6).

176. The Alaska Pipeline, pp. 246-247.

177. It has been suggested, for example, that the Arctic Slope Regional Corporation is doing so well because it has been able to hive off non-profit goals to the borough and thus can focus solely on profit aspirations. See 'Portrait of a Native Corporation', p. 18.

178. Last Frontier, pp. 118-119.

179. 'One Fairbanks lawyer estimated that there are no more then 400 Natives in the State who truly understand the land claims settlement and almost all of them are in leadership positions'. Ibid., p. 117.

180. Price, M.E., 'A Moment in History: The Alaska Native Claims Settlement Act', UCLA-Alaska Law Review, Volume VIII, No. 2, Spring 1979, p. 100.

181. 'The Alaska Native Regional Corporations', p. 22. Such feelings are also clearly expressed in the noisy annual meetings of shareholders.

182. From a series of letters by James Ito-Adler and Fred Bigjim to the Tundra Times in 1973. Cited in ibid., p. 28.

BIBLIOGRAPHY

Armstrong, T., "Ethical Problems of Northern Development", Polar Record, Volume XIX, No. 118, 1978.

Arnold, R.D. et. al., Alaska Native Land Claims, (Anchorage: Alaska Native Foundation, 1978 edition).

Berger, Justice T.R., Northern Frontier Northern Homeland The Report of the MacKenzie Valley Pipeline Inquiry: Volume One, (Ottawa: James Lorimer & Co., Publishers, 1977).

Berry, M.C., The Alaska Pipeline The Politics of Oil and Native Land Claims, (Bloomington: Indiana University Press, 1975).

Bowlan, M., "Portrait of an Eskimo Corporation", Price and Waterhouse Review, Volume XXIV, No. 1, 1979.

Branson, D.M., "Square Pegs in Round Holes: Alaska Native Claims Settlement Corporations Under Corporate Law", U.C.L.A. - Alaska Law Review, Volume VIII, No. 2, Spring 1979.

Brewer, M.C., "Land Commitments in Alaska", Arctic, Volume XXVII, No. 4, December 1975.

Brown, T., Oil on Ice Alaskan Wilderness at the Crossroads (San Francisco: Sierra Club, 1971).

Cooke, A., "The Rampart Dam Proposal for Yukon River", Polar Record, Volume XII, No. 78, 1964.

Cooley, R.A., Alaska A Challenge in Conservation (Madison: The University of Wisconsin Press, 1967).

Cooper, B., Alaska - The Last Frontier (London: Hutchinson & Co. Ltd., 1972.)

Ervin, A.M., "The Emergence of Native Alaskan Political Capacity, 1959-1971", Musk-Ox 19, 1976.

Finnie, R.S., "North American Arctic Petroleum Development", Polar Notes, No. XI, 1971.

Forrest, A., "Development and Land Rights: The Case of Alaska", Dene Rights, Volume VII, n.p., n.d.

Getches, D.H., "The North Slope Borough, Oil, and the Future of Local Government in Alaska", U.C.L.A. - Alaska Law Review, Volume III, No. 1, Fall 1973.

George, G., "Times Changing for Alaskans", The Native People, Nov. 21, Nov. 28, Dec. 5, 1980.

Hanrahan, J. and Gruenstein, P., Lost Frontier: The Marketing of Alaska (New York: W.W. Norton & Co. Inc., 1977).

Harrison, G.S. and Morehouse, T.A., "Rural Alaska's Development Problem", The Polar Record, Volume XV, No. 96, 1970.

Harrison, G.S. (ed.), Alaskan Public Policy, (Alaska: Institute of Social, Economic and Government Research, 1971).

Harrison, G.S., "The Alaska Native Claims Settlement Act, 1971", Arctic, Volume XXV, No. 3, September 1972.

Harrison, G.S., "Notes on Alaskan Native Electoral Politics", Polar Record, Volume XVI, No. 104, 1973.

Haynes, J.B., "Land Selection and Development under the Alaska Native Claims Settlement Act", Arctic, Volume XXVIII, No. 3, September 1975.

Hippler, A. and Conn, S., "The Village Council and its Offspring: A Reform for Bush Justice", U.C.L.A. - Alaska Law Review, Volume V, No. 1, Fall 1975.

Kleinfeld, J., Jones, P. and Evans, R., Land Claims and Native Manpower, (Alaska: Alaska Native Foundation and Institute of Social, Economic and Government Research, University of Alaska, 1973.

Kresge, D.T., Morehouse, T.A., and Rogers, G.W., Issues in Alaska Development, (Seattle: University of Washington Press, 1977).

McBeath, G.A. and Morehouse, T.A., Alaska Native Self-Government, (Ottawa: Department of Indian and Northern Affairs, 1979).

McBeath, G.A. and Morehouse, T.A., The Dynamics of Alaska Native Self-Government, (Maryland: University Press of America, 1980).

McConnell, W.H., "The Report of the MacKenzie Valley Pipeline Inquiry, Volume One: Summary and Critique of the Final Two Chapters and Epilogue", Musk-Ox, 21, 1978.

Mitchell, E. and Reeves, R.R., "The Alaska Bowhead Problem: A Commentary", Arctic, Volume XXXIII, No. 4, December 1980.

Morehouse, T.A. and Fischer, V., Borough Government in Alaska, (Fairbanks: Institute of Social, Economic and Government Research, 1971).

Morehouse, T.A. and Leask, L., "Alaska's North Slope Borough: Oil, Money and Eskimo Self-Government", Polar Record, Volume XX, No. 124, 1980.

Naylor, L.L., Stern, R.D., Thomas, W.C. and Arobio, E.L., "Socioeconomic Evaluation of Reindeer Herding in Northwestern Alaska", Arctic, Volume XXXIII, No. 2, June 1980.

The Polar Times, Various Articles, 1978-1980.

Price, M.E., "Region-Village Relations Under the Alaska Native Claims Settlement Act", Parts I and II, UCLA - Alaska Law Review, Volume V, No. 1, Fall 1975 and No. 2, Spring 1976.

Price, M.E., "A Moment in History: The Alaska Native Claims Settlement Act", UCLA - Alaska Law Review, Volume VIII, No. 2, Spring 1979.

"A Rocky Road to Capitalism for Alaskan Natives", Business Week, November 28, 1977.

Rogers, G.W., The Future of Alaska, Economic Consequences of Statehood, (Baltimore: The Johns Hopkins Press, 1962).

Rogers, G.W., "Eskimo Administration in Alaska", Arctic, Volume XX, No. 4, December 1964.

Rogers, G.W., "Party Politics or Protest Politics: Current Political Trends in Alaska", The Polar Record, Volume XIV, No. 91, 1969.

Rowan, I. and Morgan, L., "Alaska Native Corporations: A Status Report" Alaska Native Foundation, No. 1, 1977.

Tundra Times, Various Articles, 1976-1979.

"Ah, Wilderness! Ah, Development!", Time, November 24, 1980.

Young, Oran, R., "The Alaska Native Regional Corporations". A Paper prepared for the annual meeting of the American Association for the Advance of Science, Houston, 3-9 January 1979.

THE AUTHOR

David Baker graduated from Queen's University in 1976 with an Honours B.A. in Politics and Economics. He then went on to complete his M.A. at the University of Sussex in 1978. He is currently training to be a Foreign Service Officer with the Department of External Affairs in Ottawa, and working part-time on his Ph.D.

EASTERN ARCTIC STUDY

The Centre for Resource Studies and the Institute of Local Government, both of Queen's University in Kingston, Ontario, are undertaking a study of the ways in which the land claim of the Inuit Tapirisat of Canada (ITC) may affect local government and mineral development in the Northwest Territories (NWT). Financial support for the study is being provided by an independent agency, the Donner Canadian Foundation. Advisory support is being provided by the ITC, the the federal government, the Government of the Northwest Territories, and many other agencies, companies and interested groups.

The objectives of the Eastern Arctic Study include the following:

1. to study the potential impact of the settlement of ITC land claims, and or constitutional development in the NWT, on local government in the ITC area;

2. to study the potential impact of these changes on mineral development (including both petroleum and mining) in the ITC claim area.

3. to present the results of this research in a manner which will permit its use by northerners and other interested parties to anticipate possible difficulties and mitigate their effects.

Local government is extremely important to the residents of the Northwest Territories, because local councils and committees provide services that are basic to everyday needs. In addition, a community's local government can often act as the interpreter and advocate of peoples' interests and needs.

We expect the land claim negotiations to result in two related outcomes.

i Local governments will be given increased responsibilities in the land claim area. Some changes are already in progress, chiefly through the initiative of the communities themselves and of the Government of the Northwest Territories. ITC also supports stong local government. The phrase 'local government' refers to any governing authority established below the territorial level. It could include, for example, regional governments as well as hamlet or settlement councils and their committees.

ii There will be a significant increase in the degree of influence exerted by local governments, and by native institutions such as development corporations and cooperatives, on resource planning and the mineral development process.

Thus we expect the settlement of claims to affect significantly the climate for mineral development in the NWT. Native people will have strengthened local governments and an expanded role in planning the nature and direction of resource development.

The possibilities for mineral development in the ITC claim area are substantial, and the future of resource development in this region has implications for the welfare of all northerners, and for all Canada. It is therefore important that all parties to the negotiating process understand the possible consequences of their decisions and actions. The purpose of this study is to contribute to that understanding.

For further information contact:

M.J. Wojciechowski (Mrs.)
Centre for Resource Studies
Queen's University
Kingston, Ontario
K7L 3N6
(613-547-5957)

K.A. Graham (Mrs.)
Institute of Local Government
Queen's University
Kingston, Ontario
K7L 3N6
(613-547-2618)

POOR

QUALITY

ORIGINAL